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Legal Determinants of Lobbying
in the United States and the European Union

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Legal determinants of lobbying in the United States and the European Union

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ABSTRACT:

The article presents two examples of the pluralistic model of interest representation: lobbying regulations in the European Union and the United States. Describing both approaches leads to numerous questions about their similarities and differences. Therefore, a comparison of these two models is a summary of the author's considerations.

Legal determinants of lobbying in the United States and the European Union

Monika Sady

1. Introduction

In the times of constant social, economic and political changes, lobbying, as a form of interest advocacy, has become an indispensable profession. Although lobbying does not have a favorable press and its idea is usually misunderstood by people who have poor knowledge of the subject, its growing importance is emphasized by academic institutions, which establish courses, organize conferences and seminars about lobbying and interest representation. Propagating knowledge about lobbying is favorable not only for the interest representatives, but also to the society and the business, because it plays a very important part in the democratic process.

In almost every political system, one may observe the creation of interest groups willing to participate in law-making processes both locally and internationally. Citizens or interest groups want to influence decisions important for their future and the more they practice lobbying, the more professional they get and the easier it is for them to monitor and influence legislative changes. Professionalization of interest representation is a long process, but participating in changing political, legal, social and economic environment ensures organizations survival and evolvement.

In this paper the author will concentrate on lobbying in the United States and the European Union institutions. The United States, as the cradle of lobbying and a lobbying benchmark for other countries, is especially interesting because of its advanced procedures and long lobbying traditions. European Union is an important example of lobbying matters, not only because it consists of 28 countries and influences policies of them all, but also is a good illustration of internationalization of interest representation.

The author will define the American and the European models of lobbying and compare them in order to explain how different they are and what are their origins.

2. The origins of the term “lobbying” and its evolution

There is no universal and common definition of lobbying. Representatives of numerous scientific disciplines have studied lobbying and suggested their own definitions, suiting their scope and subject of studies. The main disciplines that include lobbying in their interests are: sociology, political science, law, history, economy, management and marketing. Although interest groups and interest representation issues have strongly grown in importance, there are not many countries which have law regulations concerning lobbying. That is why this subject has become popular among scientists who try to define how lobbying mechanisms work, and also why the problem of legal boundaries has become more and more popular.

Lobbying can be generally defined as an integral element of democratic process, realized through influencing governmental institutions on the local, central and international level. Lobbyists are interested in matters concerning legislation decisions, policy making, regulatory decisions and negotiations, as well as public sector matters. They use legal and ethical methods and techniques in order to take part in the idea of civil state.

Lobbying has very long historical roots, which can be dated back to ancient Greece and Rome. It was though first noticed (in the present, modern form) and defined in the beginning of the 19th century. In England, the public could meet the Members of Parliament in the lobby of the House of Commons. Therefore the word *lobby* started being used as meeting the government representatives, and further on transformed to interest groups influencing those representatives. It was also noticed on a very local state level in U.S.. Only the creation of suprastate organization had led to lobbying evolvement to U.S. Congress. Lobbying was then substantiated by the U.S. Constitution’s First Amendment stating the right of citizens to the freedom of speech and also the right “to petition the Government for a redress of grievances”, being the basis of a political society. Interest groups activities are a counterbalance in influencing state decisions and lobbying is a way to use citizens’ legal entitlements in democratic society.

According to a definition suggested in 1986 by the Association of Secretaries General of Parliament, a lobbyist is a person active in public sphere (Jasiecki, 2006, p. 23-24):

- attempting to influence decisions concerning government strategies or programs, granting subsidies and concluding agreements, nominating for administrative posts or organizing contacts and meetings,
- hired full-time in private entrepreneurs in government relations departments,
- working for groups which were established to support one specific cause,
- working for a nonprofit organization,
- working for an agency leading advertisement campaigns, including campaigns run in mass media and through mail,
- working in a specialist agency leading lobbying activities towards government and parliament.

Lobbying, in its nature, concentrates on information and in this matter, it may be treated as a tool or a technique of interest representation. In interest advocacy, monitoring information from organization's social, economic and political environment is essential for adjusting to changes in the environment. On the other hand lobbyists not only act as information receivers, but also as information transmitters, providing state administration with information essential for improvement of their decision-making process. This creates a platform of communication between state institutions and interest groups offering opportunity for the both parts to have a full range of information concerning a particular case. It is a tool which allows influencing political decisions in a legal, open and ethical manner.

2.1. Lobbying entities

As emphasized previously, lobbying is a profession like any other and is practiced in a variety of ways. Interest groups needing representation cause a big growth in demand for this kind of services. Their target are people holding public offices, e.g. members of government and their cooperators, public administration employees nominated by the ministers, members of committees and tribunals, members of military and police forces, etc.

Before the author analyses the models of lobbying, it is essential to focus on the forms in which professional lobbyists conduct their work. There are a few types of corporate lobbyists,

depending on the legal form of their employment. The first group could be defined as “contract lobbyists” and it is a group which consists of two types of lobbyists - commercial lobbyists working on behalf of organizations which are their clients (who work for a fee) and “in-house” lobbyists hired inside the organizational structures (who work on salary). An in-house lobbyist is a full-time employee working inside the organization and receiving a regular salary. As one may notice, only the most influential and prosperous organizations can afford their own lobbyists. Usually organizations hire lobbyists temporarily for special projects defined in time, and they do not need their full-time services. Contract lobbyists are therefore an outsource specialists appointed to a specific matter. Another similar type would be corporate lobbyists, usually employed in organization’s government relations offices (usually in Washington or in Brussels), where the organization may hire one or more professionals. These specialist represent only one organization in which they are hired full-time and decide on all the activities concerning representing interests of their employer.

A different group is created by business and professional association lobbyists who represent collective interests of a specific industry or group of industries. These are usually trade unions, professional associations (representing specific professions e.g. accountants, physicians, lawyers etc.) and peak associations (representing business interests e.g. chambers of commerce, business clubs etc.). The more members an organization has, the more power and importance it gains. Those organizations collect and monitor information about law changes, offer help and assistance to its members and represent their common interests.

Non-corporate interest groups also play a great role in influencing legislation. One of those structures are public-interest groups, which do not represent any specific economic interests, but work in a broad context representing public interest (civil rights organizations, customer and environmental organizations etc.). These are usually organizations operating only by donations, grants or public funds. Their advantage over the above-mentioned groups is the selflessness of their actions. Their core activities are concentrated around contacts with mass media, direct mail campaigns, grassroots lobbying and any other actions involving the public opinion. Another group mentioned in the literature are trade unions, which long history and political importance may not be omitted. Trade unions, perceived as tenacious and very active, are a strong force participating in legislative process on any level – local, regional, central and international.

In international relations context, this classification must be complemented by governmental institutions. They may lobby either their own government (e.g. local governments influencing the state) or other governments (on international level).

A. Surdej noticed that lobbying, conducted by both public and private entities, aims at modification of public decisions or policies divided into three groups: redistribution policies (concerning transfer of resources from one to other groups of people, regions and countries), distribution policies (dispensing public resources) and regulatory policies (specifying recommended and forbidden actions, which do not have to be directly connected with expending public resources – legislation, law execution). (Jasiecki, 2006, p.18-19)

3. Lobbying models

Analysis of the history of lobbying shows that it is strongly integrated with evolvement and growth of civil rights, industrialization, representation rights, technical development, and interest groups creation. Although they may be perceptible both in Europe and the United States, they have evolved in different directions. Therefore there is a clear division between the pluralism of interest representation (present in the United States and in the European Union's institutions) and corporatism of interest representation (present in European countries).

Pluralism is characterized by loose ties between interest groups, which represent the population influenced by law towards the decision-makers. In this case, the government is perceived as a platform for communication and negotiations. In pluralism, one may observe a significant amount of lobbying entities using multiple methods and techniques and a more democratic and pragmatic approach than in European countries. This model is perceived as adequate for interest representation on transnational level.

Corporatism, on the other hand, is something more than just a system of interest articulation. It is an institutionalized system dedicated to form directions of state policy, and within its framework, big organizations of interest cooperate with each other and with the State not only in the process of interest articulation, but in the process of implementing them as well.

(Antoszewski, 1995, p.177). In this sense, corporatism means participation of various interest groups representing economic and social expectations of represented population. These are usually trade unions, employers' organizations, associations, NGOs etc. Although corporatism is characteristic for the European countries, one must remember that Europe is heterogeneous, therefore, in different parts of the continent, different lobbying styles may be perceived.

In this article, the author will focus only on the model of pluralism and will analyze lobbying models from the US and the EU perspective.

3.1. American roots of lobbying

The United States are regarded as the homeland of lobbying because of first numerous legal restrictions concerning lobbying activities, which is commonly believed to be comprehensive because of concentrating on public confidence persons and their actions, as well as on regulating lobbying rules and lobbying community self-regulation. American law strictly regulates influencing members of Senate, the House of Representatives or any committee and subcommittee members, as well as any potential situations relating to receiving additional income or gifts and funding of travels by congressmen or government agencies' employees. This model of lobbying regulation is based on two concepts: registration of a lobbyist and his employer, and disclosure of lobbyist's actions by means of detailed reports published regularly.

As early as in 1791, the first amendment to the Constitution of the United States guaranteed the citizens the right to fight for their own interests, the freedom of assembly as well as the right to direct petitions to the government. The first lobbyists appeared in Washington in 1837, and in 1852 journalists dealing with lobbying were forbidden from participating in the meetings of the House of Representatives. Legal regulations limiting the freedom of lobbyists as well as the requirements of their registration have began to appear since then. The matter of who public persons were, as well as the rules of their behaviour and the principles of using the lobbying, had been defined. (Sady, 2010, p. 3).

The Federal Registration Act of 1945 was the first act regulating lobbying activities. It specified what lobbies are and how they affect legislation process by contacting congressmen,

but overlooked such important issues as campaign funding, contacts with the President's people as well as government departments. The entities and the idea of a self-funding lobbying were also omitted, but on the other hand "the main purpose" clause was introduced (excluding lobbyists spending collected funds). The Act demanded lobbyist registration at the Secretary of Congress, quarterly financial statements, current information about lobbying actions and public access to these information.

J. Deakin described the interest groups scene in Washington, D.C. in 1960s as: "There is an association, union, society, league, conference, institute, organization, federation, chamber, foundation, congress, order, brotherhood, company, corporation, bureau, mutual cooperative, committee, council, plan, trusteeship, movement, district, assembly, club, board, service or tribe for every human need, desire, motive, ambition, goal, aim, drive, affiliation, occupation, industry, interest, incentive, fear, anxiety, greed, compulsion, frustration, hate, spirit, reform and cussedness in the United States." (Rosenthal, 2001: 2) Since the 1960s, even more interest groups have appeared creating a complicated network of interests. Because of rising interest among former congressional officials in participating in lobbying activities ("revolving door" issue), new regulations concerning this problem were introduced in 1989 and stated that they cannot conduct any lobbying activities for the first year after leaving their office. Byrd's amendments from 1989 and 1996 became complementary with other legal regulations by forbidding spending federal funds for lobbying purposes.

The Lobbying Disclosure Act of 1996 (amendment of the Act on lobbying from 1946) is the latest American act regarding lobbying and contains amendments to the previously adopted legal acts. This act redefines a lobbyist as a person who "maintained more than one lobbyist contact in Congress and spends more than 20% of their time (within 6 months) on the activities associated with lobbyist activities (research, presentations, meetings etc.)" (Jasiecki, 2006). "Lobbyist contact" is there defined as "every oral, written or electronic form of communication aimed at exerting influence on the decision-makers of the executive or the legislative power on behalf of a client in order to do the following:

- a) editing, modification or adaptation of federal legislation (together with proposals of acts),
- b) editing, modification or adaptation of a federal provision, regulation, executive order and every other policy program of the United States government,

- c) management or implementation of a program or a federal policy (along with negotiations, awards, management over a federal contract, subvention, loan, permit, license),
- d) nomination or approval of a person to a position subject to approval of the Senate." (Jasiecki, 2006).

Lobbyists registration according to the Act is held within the rules of openness of data in the register. Registration can be made in a traditional way (written forms) or in an electronic way using website forms. In half of the states, the registering authority is the secretary of state, and in the other half, lobbyists are registered by different forms of ethics commissions. Those organs collect the registration forms, prepare regular reports on lobbyist activities, expenses and incomes, and also provide register information to all interested persons. Additionally, those organs also publish manuals for lobbyists which contain legal resolutions with comments, frequently asked questions and answers, as well as exemplary case studies (Wiszwaty, 2008, p. 208-209). These information is made available to every person interested in the office of registration authority or in electronic version. Basic data necessary for the register are: lobbyist's personal data, subject of lobbying activities and his or her employer. Each state may have requirements for additional information e.g. business relations of the lobbyist or his or her employee with a Representative, a politician or a civil servant or his or her family (Florida, Maryland) or submitting contract between the lobbyist and his or her employee (Idaho). (Lewicka-Strzałeczka, 2009, p. 329)

Ethics in Reform Act, the act on the reform of ethics from 1989, the reforms from 1991, as well as ethics committees have introduced new regulations relating to offering and disclosing gifts, travel costs, conflict of interest plus royalties. Principle no.52 was introduced in 1996, which forbade the members, officers and employees from accepting most gifts. The limit on the value of a gift was eliminated. "The following items are subject to exclusion, e.g.: personal stay, donations for campaign, fees for the legal assistance fund, information materials sent to congressional offices, expenses paid by the federal, state or local government, free admission to a generally accessible event, food and beverages of minimum value, proposed apart from a meal and other things of minimum value such as caps or cotton T-shirts. Gifts from relatives are excluded from this prohibition." (Jasiecki, 2006).

The U.S. Congress, complemented by a strong system of parliamentary commissions, is responsible for the whole legislative process and creation of a considerable number of bills. The political parties are not consistent and they don't have a detailed code of conduct which enables lobbying actions. Moreover, bicameral parliament and the necessity to agree standpoints between them give an even better field for interest representation.

3.2. European roots of lobbying

The European Union is constantly growing. Its evolvement to 27 countries led to broadening its scope of interests by policies concerning consumers, social issues, environment, and economic and monetary matters concerning euro zone. As studies show, almost 80% percent of all national laws are created on the EU level, which creates great opportunities for interest representation in the process of the EU law creation.

Another matter is the necessity for interest representation in the EU institutions. Lobbying entities are needed for free exchange of opinions and clear articulation of the EU citizen interests by providing necessary information. This helps to overcome the EU's democratic deficit and allows decision-makers to consult and advise on new laws. Without lobbyists it would be very hard to organize and aggregate interests, as well as promote public awareness. They also monitor the EU influence on business and social environment and constantly observe the implementation of the EU law on national levels.

Lobbying in the EU is an example of a pluralistic model and the organizations providing interest representation in its institutions are very numerous. Those lobbying groups are: trade federations, public interest representation groups, companies and corporations, national unions and associations, international organizations, regional organizations, law firms, and professional lobbyists.

Each of the EU institutions has its own compound structures and decision-making processes, which required adjusting lobbying regulations and cooperation with interest groups to every institution separately. Not only the 27 Member States, but also approximately 150 non-EU Member States, about 1500 lobbyists and 2600 lobbying organizations are present on the political scene of EU institutions. The estimations show that lobbying activities in Brussels cost in total about 90 million Euro per year.

The Code of Conduct for lobbyisis was first drafted in a detailed way by Marc Galle in 1991, who underlined the necessity to create a public register for lobbyist accredited by the European Parliament and suggested many possible solutions. The report suggested annual lobbyists' register, showed the areas which the lobbyists could access and the ones forbidden, and finally suggested strict rules concerning such aspects as sales of parliamentary documents. The most controversial part of the report was the definition of a lobbyist, which was narrowed only to those who represent a third party at the same time neglecting to include lobbyists working as private subjects. The report started a discussion about lobbying and as its result, the Commission published the "Open and structural dialogue between the Commission and special interest groups". This document aimed at sustaining transparency in interest representation.

The next step was preparation of the Self-regulatory Lobbyists' Code in 1994, which specified how lobbyists should behave while contacting the EU institutions. It included the requirements of self-identification of lobbyists by specifying their surname and the organization which they represent, declaration of represented interests, not deliberately misleading about their status or the nature of consultations with the officials and the institutions, not misleading about their ties with the EU institutions, keeping confidential information for themselves, dissemination of false information, avoiding the conflict of interests and not offering any financial transfer to the EU officials, members of the European Parliament or their employees. (Sady, 2010, p.4-5) This code still concerns lobbyists who are not the members of the Parliament.

In 1995 two reports were presented: the first one concerned non-members and the second one concentrated on members of Parliament. As a result, in the following year, the Parliamanet accepted a modified version of these proposals in relation to the Members of Parliament who

were now obliged to present detailed declarations of professional activities showing third parties who they were helping, refusing gifts and any other benefits which were connected to voting for a specific cause, with registering received gifts which value exceeded 600 ECU.

In 1999, the Code of Conduct for Commissioners banned taking any paid job by the commissioners as well as accepting gifts worth more than 150 Euro. It also ordered preparation of property declarations, introduced the obligation to inform a commissioner about the place of employment of the spouse as well as the need to inform the Commission about the place and the nature of employment for a year after finishing work in the Commission. (Sady, 2010, p. 5)

The decision-making competencies in the first pillar of the EU institute that only the Commission has the right to legislative initiative, and it is the only institution able to create projects of legal acts. The EU Council is a legislative organ, and the European Parliament has, above all, the ability to give opinions and advise. Both the EU Council, and the European Parliament, have the right to indirect legislative initiative, and are able to influence the Commission in order to force it to create a certain project. Decision-making procedure in the EU starts with the Commission which prepares the project, then it sends the proposal to the Parliament and the Council. They consider the proposal, and discuss it on two successive occasions. If they agree, the legislative text can be adopted. The “codecision” procedure of the EU requires that the European Parliament and the Council approved all the legislation together.

On 21 March 2007, the Commission adopted the communication of “Follow-up to the GreenPaper ‘European Transparency Initiative’”, establishing its relations with interest groups. The framework introduced a voluntary Register for interest representatives in 2008, created a Code of Conduct, and established a monitoring and enforcement mechanism for the Code. This initiative aimed at increasing transparency and creating standards for the Commission’s consultations. Since then, all entities involved in the “activities carried out with the objective of influencing the policy formulation and decision-making processes of the European institutions” are supposed to be registered. The mentioned activities are regarded as contacting EU institutions’ officials, preparation and circulation of any type of letters, informational materials, argumentation papers, organization of meetings, promotional

activities on behalf of an interest group and in order to represent interests. Obviously, those activities include any actions being part of formal or any open consultations. The main principles of the Code are openness, honesty and integrity, which should be represented by lobbyists throughout their cooperation with the Commission. Information included in the annually updated Register are: the name of the interest representative and the entity this person represents, as well as contact details, declaration of interests and objectives, affiliations to associations or federations (for better transparency of their contacts with other possible sources of influence), details of their main representing activities, as well as financial information defined separately for different groups:

- public affairs consultancies and firms of solicitors that lobby - annual turnover from lobbying activities (detailed by a client),
- companies' in-house lobbyists and professional lobbying groups (e.g. federations and associations) - estimation of direct expenditures on lobbying the EU institutions,
- NGOs and think tanks - overall budget (with sources of funding) and estimation of expenditures on direct lobbying.

Because the Commission is the only institution able to initiate projects, it is, at the same time, an institution most exposed to interest representation. Because the significance of legal resolutions proposed by the UE is of great importance to Member and non-Member States, as well as all their legal, social, economic and technical environment, lobbyists pay close attention to the Commission's work.

The European Parliament has opinion-advisory functions and because of this, its impact on the law is limited. Parliamentary press conferences are open to the public, and because of that many lobbyists participate in them, although they have no right to ask questions. Another important place for interest representatives in the Parliament are numerous committees and intergroups, which are the field of detailed resolutions creation. There are 19 constant committees (and numerous created ad hoc) and there are 22 intergroups, both of which have their specific tasks and subjects (eg. consumers' rights, small and medium companies sector etc.). The Parliament has a register of over 5000 accredited interest representatives who received special passes to access Members of Parliament (MEPs).

The Council of the European Union is the most important institution when considering law-making decisions, but at the same time, it works behind closed door, and because of that, it is inaccessible for lobbyists. Therefore, it does not have any register of lobbyists. The Council consists of representatives of all 27 Member States, and contrary to the Commission and the Parliament, it is not a supranational institution. The ministers of Member States maintain relationships with regional interest groups concerning national lobbying regulations of their Member State.

4. Differences between the U.S and EU approach

A dilemma may occur whether the differences in lobbying models in U.S. and EU, though both pluralistic, are a result of the diversity of their political systems or whether they are a result of historical roots of lobbying. U.S. is considered as the pioneer of lobbying, and EU lobbying regulations have considerable shorter history.

To better understand the interest representation processes in the United States and European Union, it is necessary to show the most important system features, characteristic for both models. Factors such as political philosophy or political system are very important for understanding the philosophy of lobbying in a particular institution.

Table 1. System location of lobbying in the United States and European Union’s Institutions

Key factors	USA	EU institutions
Political philosophy	Pressure groups and pluralistic theories	Outside-treaty partner in decision-making process in EU, element of social and citizen dialogue
Historical and political system factors	Lack of feudal limitations in democracy evolvement, significant citizens’ activeness	Increase of the decision role of the transnational EU institutions, creation of representation of different domains of economic and social life
Governmental system	Presidential, strong power of law	Complicated relations between the Council, the Commission and the Parliament
Political party system	Two-party system	Political groups in the European Parliament
Status	Legal regulation, high institutionalization and professionalization	Beginnings of regulation, progressing institutionalization

Political culture	High significance of the law	Technocratic consulting procedures
Social perception	Stable and important element of decision-making process	Commonly known phenomenon, gradual acceptance
Terminology	Lobbying, lobbying industry, lobbies, advocacy	Open and structural dialogue with special interest groups, distinction between national and international pressure groups

Source: (Jasiecki, 2006, p.68)

One of significant differences between the United States and the European Union is the approach to the common good. U.S. culture is closely related to the common good, which is based on national values. The Americans are very proud of their traditions and often relate to shared values and beliefs. In European Union on the other hand, the idea of common good is still not universal because of strong divisions and differences between the Member States. Europe still lacks in common heroes and is divided, historically and culturally.

The American Lobbying Disclosure Act and the European Union's European Transparency Initiative, were adopted in the same period of time. Although their goals are regulated in a similar way, their detailed solutions are very different. While the European Transparency Initiative is based on self-regulation and voluntariness, and concentrates more on general rules, the Lobbying Disclosure Act demands obligatory registration and introduces detailed lobbyist obligations. American obligations concerning quarterly reports create more paper work than annual reporting in the EU agendas being less bureaucratic. On the other hand, more regular reports contribute to better transparency of lobbying activities and guarantee that the registered information are not out-of-date. While the European Union lacks in sanctions for law violation concerning lobbying (the only sanction is being crossed out of voluntary register), the American law has established heavy sanctions.

Table 2. Lobbying: A U.S.-EU Comparison

	<i>Washington</i>	<i>Brussels</i>
Lobby registration	U.S. Congress: compulsory	European Commission: Voluntary European Parliament: Mandatory for accreditation
Ethics regulations for officials	U.S. Administration: Yes U.S. Congress: Yes	EU Commissioners and staff: Yes MEPs and staff: Yes
Code of conduct for lobbyists and lobby organizations	Congressional legislation imposes restrictions on lobbyists	European Commission: Yes, as part of the voluntary register European Parliament: Yes, as part

	Lobby organization often have their own codes of ethics	of the accreditation process
Levels of lobbying	Multi-level system Legislative branches: <ul style="list-style-type: none"> • U.S. Congress • State laws Executive branches: <ul style="list-style-type: none"> • Federal • State 	Multi-level system EU and national level Multiple EU institutions (executive and legislative branches): <ul style="list-style-type: none"> • Commission • Parliament (directly elected) • Council
Funding of non-profit organizations	Privately funded: very little, if any, federal funding, with none for lobbying	Many funded – sometimes even created – by the European Commission
“Revolving door” phenomenon	Former lawmakers and government officials frequently become lobbyists (increasing restrictions)	Less frequent
Corporate funding for political campaigns	Common, but with caps Funding: Private sector – public sector (politicians)	Not common; viewed as unethical Funding: public sector – private sector (civil society)
Transparency	Strict regulations and enforcement Lobbying Disclosure Act of 1995 requires lobbies to list clients and financial sources	Minimal regulation and enforcement No formalized standards, but European Transparency Initiative seeks to improve it
Role of local issues	Senators and members of the Congress rely on local issues to get elected Lobbies representing local issues are highly influential	MEPs are more different from local constituencies Lobbies presenting local interests are less influential Local and regional interests are considered through the EU’s Committee of the Regions, composed of representatives of regional and local authorities.

Source: (*Lobbying in the EU: An Overview*)

Table 3. Continuation of the U.S – EU comparison

	<i>Washington</i>	<i>Brussels</i>
Reporting	Quarterly	Annually
Sanctions	10 000 \$ fine and deprivation of liberty up to 5 years	Crossing out of the register
Number of lobbyists	17 000 federal lobbyists	15 000 lobbyists and 2500 lobbying organizations
Openness to dialogue	Freedom of Information Act: openness of sessions of government institutions and	European Commission: open administration, very open to dialogue

	openness of legislative process	European Parliament: in commissions and intergroups Council: no
Dependence on contributions	Congressmen and Senators elected by popular vote – may rely on campaign contributions	The Commission is not selected by popular vote – officials do not depend of contributions
Universality of lobbying legal solutions	May diverse within States (different State laws)	May diverse within different countries (different country law resolutions)
Internet access to registration forms	yes	yes
Internet access to registered information	yes	yes
Top interest groups	<ul style="list-style-type: none"> - Law firms - Industry associations - Regional representations 	<ul style="list-style-type: none"> - Industry associations - NGOs (non – governmental organizations) - Regional representations

Source: Authors' own study on the basis of source materials quoted in the study

U.S. law regulates lobbying issues by strict policy concerning lobbyists and their interactions with decision-makers. The EU, contrary to the USA has a less formal approach, represented by unique lobbying regulations in every key institution.

Both U.S. and EU interest representation groups consist of public affairs consultancies and firms of solicitors that lobby, companies' in-house lobbyists, professional lobbying groupings (e.g. federations and associations), and NGOs. Professional Associations usually tend to form networks and build membership numbers in order to increase their influence and credibility. Just like each U.S. state has its lobbying representatives, EU Member States have their lobbying representatives as well. Both groups represent their regions in terms of policies, social and economical issues, political relations etc.

Much like their American counterparts, the European industry associations and interest groups concentrated on influencing decision-making process for the benefit of their members, while also gathering and disseminating useful information. In contrast, regional lobby groups represent regional and local authorities within EU Member States, and focus not only on direct lobbying, but also on networking, informing and marketing their regions throughout the EU apparatus. (*Lobbying in the EU: An Overview*)

Conclusions

In every political system, a different light is shed on lobbying depending on historical roots of interest representation. Interest representation, independently of the country or institution, is a part of the democratic process and therefore, interest representatives are credible political actors. The demand for professional interest representation is still growing, despite negative perception of lobbying and many organizations seek ways to improve image of this profession and show it is a legal and ethical activity.

Literature shows that in the United States interest groups are perceived as a normal element political reality. Participation democracy, so important to the American society, is in this case realized by representing interests of not only business, but also social, cultural and environmental organizations. The society believes that the government and political parties are not enough to secure their interests, that is why intermediaries are indispensable to represent the interests of citizens towards government representatives they elected. Lobbying has, therefore, become an inseparable part of the democratic process and the civil society.

The number of lobbying entities representing diverse interest groups in the European Union's institutions has significantly grown. More and more international companies, local representation offices, associations, NGOs open their offices in Brussels in order to be closer to the legislative process. They monitor and interpret information and decisions of the EU institutions. Those interest groups (European, international, domestic and private sector) represent different issues, but their common purpose is to reach commonly favorable standpoints. Their most important task is to provide information exchange between interest groups and EU institutions.

Even though both models, the American and the European one, are characterized as pluralistic, there are great differences between the two approaches. This may be caused by the historical roots of lobbying in both continents, the uniqueness of political systems, the specific character of interest represented and the experience of lobbying entities. The regulations provided in both cases have the same basis, but significant differences are observed, while analyzing the two models.

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Internet resources:

<http://www.eurunion.org> – Official Website of the European Commission to the USA

Lobbying in the EU: An Overview, <http://www.eurunion.org/News/eunewsletters/EUInsight/2008/EUInsight-Lobbying-Sept08.pdf>

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