

Notes from *Information, Lobbying and the Legislative Process in the European Union*

Introduction

Interest groups are generally better informed on issues that affect them than policy makers are. They can thus play a role in the policy process by transmitting their private information to the relevant policy makers. The concerns of the interest groups are rarely identical to the policy makers' concerns, however. As a result, privately informed interest groups have incentives to behave strategically when transmitting information to policy makers.

In the model an interest group has two opportunities to influence policy. First, it can lobby a policy maker when the EU is preparing to formulate a legislative proposal on an issue. Second, it can approach a policy maker when the EU is about to vote on the proposal. The principal conclusions of the paper are the following. When a **proposal is being prepared**, it is optimal for an interest group to **lobby an 'advocate'**, a policy maker with preferences close to its own. Later on in the policy process, when **the EU is preparing to vote on the proposal**, however, **lobbying the pivotal policy maker** is optimal.

Consultation and Codecision

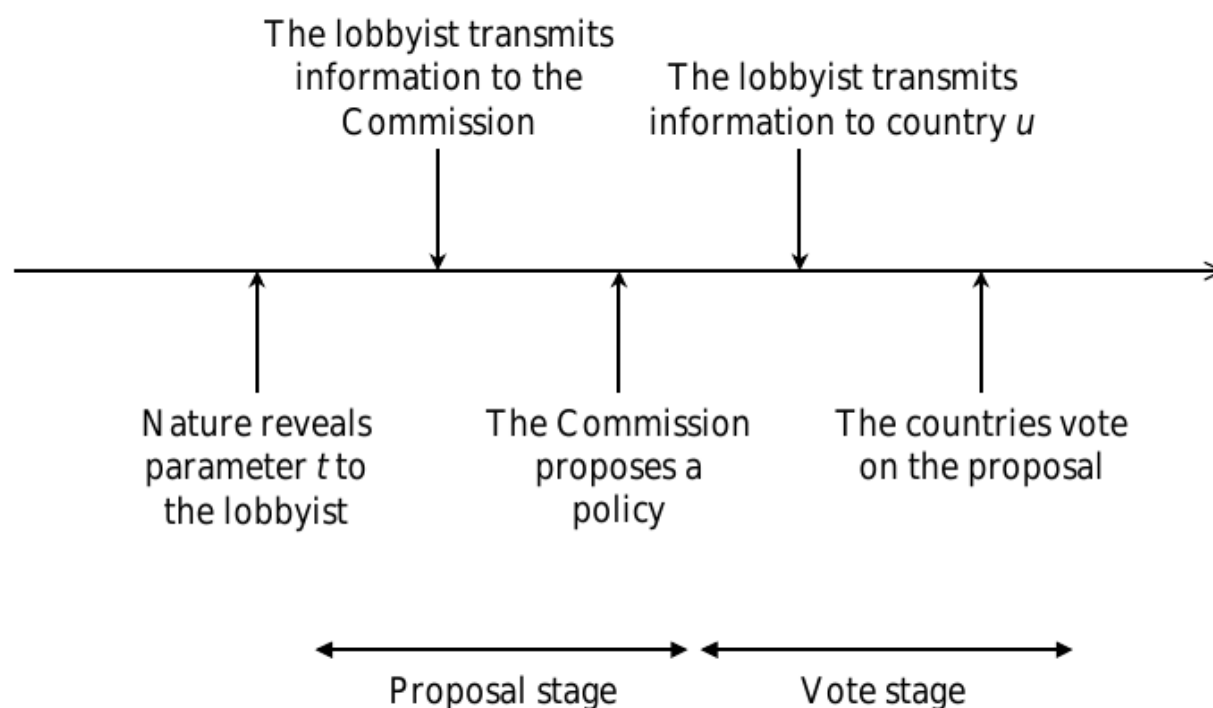


Figure 1 Consultation.

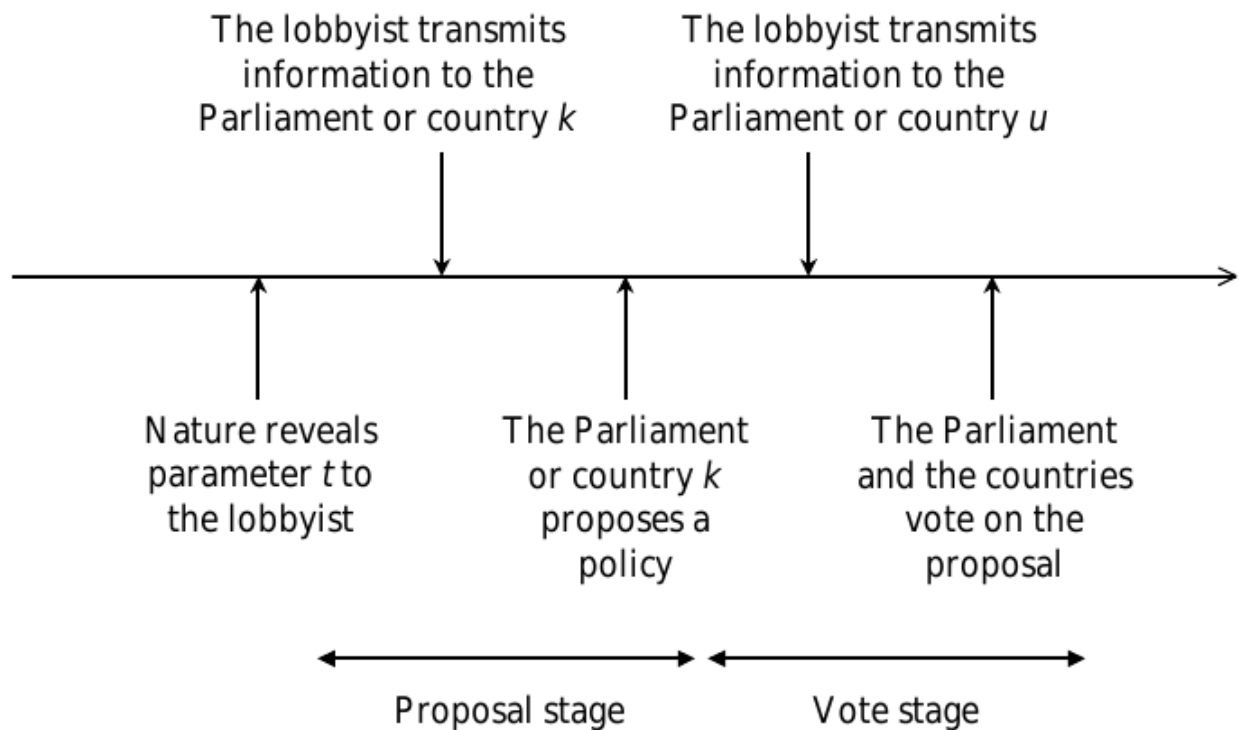


Figure 2 Codecision.

The model

The principal EU policy makers are the Commission, the Parliament and the countries as represented in the Council. They are not the only players involved in the EU legislative process, however. **Interest groups** are well represented at the EU headquarters in Brussels and are very active during the legislative process. In general they are better informed on issues that concern them than are the policy makers (**IG** are directly affected by the issues - bigger incentive to gather information | **PM** have to deal with multiple issues at the same time - do not have resources to be well informed on all of them). **IG** bring issues to the policy makers' attention + provide information about the results of policies during the legislative process. They can approach the **PM** directly or can have **lobbyists** acting on their behalf.

In the EU, lobbying and information transmission may be even more important than in other political systems for two reasons. First, **the Commission**, which plays a crucial role in the formulation of policy proposals, **and the other institutions** have a **very limited staff**. Second, **the Commission works with a system of committees** when preparing its proposals. Many of these committees include **IG** representatives. These committees create an **institutional basis** for the involvement of **IG** in the Commission's activities. The limited staff and the frequent formal and informal contacts with interest group representatives thus provide **regular opportunities for interest groups to affect policy**.

Conclusions

PM are uncertain about the effects of policies, whereas the affected **IG**, as represented by a lobbyist, does know the effects. The lobbyist can then contribute to the policy process by transmitting information to the **PM**. The lobbyist's informational advantage, however, also creates an opportunity to misrepresent information. The lobbyist's incentive to misrepresent information grows as preferences diverge from the

PMs'. If the **PMs'** preferences are **identical** to the lobbyist's, the lobbyist wants to share **all information**, so the **PMs** can do what is best for both. If, on the other hand, the **PMs'** preferences are very **different** from the lobbyist's, the lobbyist does not want to share **any information** for fear that the policy makers take actions that harm their interests.

Consultation

The proposal originates from **the Commission**, the lobbyist can lobby the Commission when it prepares its proposal.

Codecision

The Parliament and the countries play a more important role in formulating proposals and the lobbyist can choose whether to lobby a country or the Parliament.

When **PMs** vote on the proposal - lobbyist should focus on the pivotal policy maker rather than an advocate. Other **PMs** can then defer to the pivotal **PM** (country/Parliament) - the lobbyist need not lobby any other **PM**. The lobbyist lobbies the pivotal **PM** if their preferences are not too extreme and they are close enough to the pivotal **PM** - the lobbyist suggests **a yes or a no vote**. The **PM's** position should not be too extreme (should prefer a **yes vote** in some cases and a **no vote** in other cases) - otherwise the pivotal **PM** would pay no attention to the lobbyist. **Both the lobbyist and the pivotal PM need to prefer results that are relatively close to the status quo result**, for lobbying to occur when policy makers prepare to vote on a legislative proposal.

When getting the opportunity to formulate a legislative proposal, **PMs** tend to propose the policy whose expected results **they like most**. However, there are two circumstances in which **PMs** may propose different policy: proposing a policy closer to the status quo to obtain the approval of the pivotal policy maker | considering the possibility that the lobbyist might lobby later on in the leg. process (when preparing **to vote** on the proposal) - in some cases **PMs** want to propose a policy closer to the status quo to avoid lobbying and a no vote; in other cases they do not mind the lobbying at the vote stage (e.g. when their preferences are close to the pivotal **PMs** and the lobbyist).

The reality of lobbying and EU policy-making is, of course, a lot more complex than this model suggests: legislation typically affects a multitude of **IGs**; the legislative process provides lots of opportunities for information transmission and exchange; the Commission is usually in close contact with national government officials and **IGs** prior to formulating a proposal; the Parliament gives its opinion on the proposal before it is sent to the Council etc.