

The Europeanization of Interest Groups. National Associations in Multilevel Europe

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08/13



**SALZBURG PAPERS
ON EUROPEAN INTEGRATION**

The Europeanization of Interest Groups: National Associations in Multilevel Europe

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Abstract

Early theorists of European integration expected that political actors such as interest groups would shift their political activities towards the new centre, leading to further political integration in Europe. Half a century later, we assess this expectation and find large variation in the extent to which national interest groups focus on European Union (EU) legislation and have shifted their political activities to Brussels and Strasbourg. What explains this variation? We propose a series of hypotheses that focus on group type, group resources, policy field and the size of the group's home country. Using data on 880 national associations, gained from a survey of interest groups in five European countries, we find support for these hypotheses. The paper has implications for the literatures on lobbying, decision-making in the EU, Europeanization and theories of European integration.

Version: 24 June 2013.

Key Words: European Union, lobbying, interest groups, business, Europeanization, survey.

Acknowledgments: We are grateful to Sven-Oliver Proksch and Hannes Winner for helpful comments on an earlier version of this paper and to Ilze Ruse for cooperation in carrying out the survey in Latvia. The research would not have been possible without funding from the Austrian Science Fund (FWF, Grant M1217-G16) and the willingness of a large number of interest group officials to respond to our survey.

Introduction

Half a century ago, Ernst Haas (1958: 16) defined political integration as “the process whereby political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities toward a new centre”. The expectation was, therefore, that in the process of European integration, political actors, including interest groups, would increasingly focus their activities on the European Union (EU).

In fact, after half a century of European unification, we find that many national interest groups lobby on EU legislation, and that many of them engage in political activities in Brussels and/or Strasbourg. Nevertheless, some groups have become much more Europeanized than others. A substantial number of them even have opened offices in Brussels, whereas others do not engage in EU lobbying at all. What explains this variation in the extent to which national interest groups have become Europeanized?

We approach this question from two angles. On the one hand, we assess variation in the relative *share* of their resources that groups dedicate to EU legislation. Europeanization should lead groups to invest a greater share of their resources on EU legislation. On the other hand, when lobbying on EU legislation, groups can do so at the national level (for example, via national governments, the national parliament etc.) or at the European level (for example, directly with the European Commission or the European Parliament). Again, we are interested in explaining variation in EU-level lobbying as a *share* of total lobbying on EU legislation.

Our argument is that business associations are more Europeanized than other types of groups, because collective action problems tend to be less severe for business groups than for other types of associations. Nevertheless, we expect the effect of group type to be conditional on groups' resource endowment: the difference between business and non-business groups should be larger for associations with ample material resources than for resource-poor groups. Furthermore, groups that are active in policy fields in which the EU engages in a lot of legislative activity should focus more on EU legislation. This is in line with V.O Key's (1956: 168) statement that "where power rests, there influence is brought to bear." Finally, lobbying at the EU level should be more attractive for groups from smaller EU member countries, as the governments of small countries have less influence in EU decision-making, making a direct approach to the European Commission and the European Parliament advisable.

A survey of interest groups in five European countries (Austria, Germany, Ireland, Latvia and Spain) allows us to assess these expectations. We contacted 2,161 business associations, professional associations, citizen groups and labour unions in these countries, and received 880 responses, amounting to a response rate of 40.7 percent. Using fractional regression, and controlling for a series of variables including endowment with material resources, we find support for our argument. Resource-rich business groups are clearly more Europeanized than other groups; and also the effects of policy field and country are robust and substantively important.

The paper speaks to a series of studies that examine variation in the access of domestic interest groups to EU institutions (Richardson 2000; Beyers 2002; Eising

2009; Klüver 2010; Beyers and Kerremans 2012; Dür and Mateo 2012). In particular, it sheds some light on a debate about the role of group type and resources in shaping access to EU institutions. Studying interest groups in the trade policy field from Belgium, France, the Netherlands and Germany, for example, Beyers and Kerremans (2012) find that organization type and interest group resources have no effect on the probability that groups target venues at the EU or at the international level. Dür and Mateo (2012), by contrast, show that both group type and resources matter for access to a series of political institutions with respect to EU legislation. While drawing on and speaking to this earlier literature, our approach is different in that we do not explain how much access groups get to EU institutions, but their *relative* focus on EU legislation, and the *relative* focus on Brussels and Strasbourg when lobbying on EU legislation.

Our paper also has implications for the Europeanization literature, which studies the impact of European integration on member states, and for theories of European integration. As to the former, we find evidence in favour of the argument that Europeanization affects domestic political actors. Importantly, however, Europeanization does not impact on all actors equally. And whereas previous studies found “domestic adaptation with national colors” (Risse, Cowles and Caporaso 2001), we find substantial variation in the effect of Europeanization *within* countries. As to theories of European integration, our findings offer support for the argument that shifting competences to the supranational level also leads to a shift of political activities to the new level. As this shift does not affect all political actors to an equal extent, however, it may not result in spill-over, that is, a further shift in competences to

the EU level, but foster conflict over the course of integration in the long-term.

Theorizing the Europeanization of National Interest Groups

What explains variation in the extent to which national associations have become Europeanized? Our response to this question starts with the assumption that each association has a fixed and limited amount of resources, where the overall endowment with resources varies across associations, that is, some associations have many resources and others few. Associations thus can decide to allocate a larger or a smaller amount of their resources to different activities, but they cannot (in the short run) increase their overall amount of resources. The fact that the overall resources are limited introduces opportunity costs: the more an association invests on one activity, the less it can spend on others.

Broadly speaking, associations can pursue two objectives with their resources. On the one hand, all organizations need to invest some of their resources in efforts aimed at the survival of the organization (Wilson 1995: 262). In the case of associations, this mainly means keeping existing and attracting new members and/or supporters, for example by providing services to them. On the other hand, associations can invest resources in efforts at representing the interests of the organization and or the members vis-a-vis decision-makers, that is, seeking influence. In the words of two prominent scholars of interest groups (Schmitter and Streeck 1999: 19):

BIAs [business interest associations] must, on the one hand, structure themselves and act so as to offer sufficient incentives to their members to extract from them adequate resources to ensure their survival, if not growth. On the other hand, they must be organized in such a way as to offer sufficient incentives to enable them to gain access to and exercise adequate influence over public authorities ... and, hence, to extract from this exchange adequate resources (recognition, toleration, concessions, subsidies, etc.) enabling them to survive and to prosper.

Clearly, the two objectives are not orthogonal to each other: influencing policy can ensure the survival of an association by increasing the base of members and supporters, and a larger base of supporters and greater supply of funds can help an association gain more influence. Not always, however, do the two objectives go hand-in-hand. Sometimes, pursuing influence can be of little help in attracting members, for example because the potential members are not informed about the policy successes of the association. At other times, the need to attract members may make associations demand policies that are too extreme to have an impact on policy outcomes (Dür and De Bièvre 2007) or engage in tactics that are inefficient (Dür and Mateo 2013).

Associations possess a variety of different resources, which are more or less helpful in achieving the various objectives. This includes financial means, but also legitimacy and representativeness, knowledge, and expertise and information (Dür 2008: 1214). Especially financial means and legitimacy are resources that can be used to ensure the survival of groups. When trying to influence policy outcomes, associ-

ations need financial resources to be informed about relevant policy developments and to organise lobbying activities such as manifestations and press conferences, and representativeness and information to use as currency in exchange for access and influence from decision-makers.

Following on from these assumptions, we conjecture that associations make a cost-benefit analysis when deciding on how to invest their resources. They will try to maximize the overall utility of the association in terms of both survival and influence given the resources they possess. This basic set-up allows us to derive a series of concrete expectations that use variation in the severity of collective action problems across types of groups, the type of resources different associations possess, the demand for different types of resources, the power of decision-makers, and decision-making competences across policy fields to explain variation across associations in the relative amount of lobbying on EU legislation and at the EU level. We develop these theoretical expectations in two steps. First, we look at the question of how much importance groups will give to EU legislation relative to national legislation. Here we try to explain why some groups invest relatively more of their resources on EU lobbying than others. Second, we focus on the question of where national interest groups direct their lobbying activities when working on EU legislation.

How much focus on EU legislation?

EU legislation plays a major role for nearly all national interest groups, as the EU's competences cover much of public policy, from trade to competition policy to environmental and consumer protection. At the same time, national legislation also

still plays an important role in shaping societies across Europe.¹ What determines the *share* of its resources that a group decides to invest on efforts at influencing these two types of legislation?

Based on the assumptions above, we expect that business associations focus relatively more on EU legislation than other associations. The reason is that business associations are composed of members with concentrated material gains or losses from specific pieces of legislation. By contrast, other types of groups are composed of a large number of individuals, with often only diffuse gains or losses from policy outcomes. Concentrated gains or losses mean that business associations are far less crippled by collective action problems than other groups (Olson 1965; Dür and De Bièvre 2007). This ensures that overall business groups need to put less emphasis on the objective of ensuring survival (in the terminology of Schmitter and Streeck (1981), groups vary in the “logic of membership”). Non-business groups, on the contrary, need to invest a larger share of their resources on activities that are of direct relevance to members. This will affect the type of activities carried out by non-business groups (Dür and Mateo 2013), and also whether they tackle EU or national legislation in their lobbying activities. For groups facing collective action problems, trying to influence national legislation should have the advantage that national legislation is often of more direct concern to their members and that national legislation tends to get more attention in the media than EU legislation (Peter, Semetko and de Vreese 2003; Meyer 2005).² The first hypothesis thus is:

¹While studies of the Europeanization of national legislation diverge in the precise percentages of legislation that is “national” or “European”, all of them show that both national and European legislation play a major role. See Töller (2010).

²To the extent that business groups are particularly influential at the national level, it may also

H 1 *Business associations tend to focus relatively more on EU legislation compared to national legislation than other types of groups.*

We do not expect this effect to be the same for all business groups, however. On the contrary, business associations with more resources should focus much more on EU legislation than business associations with fewer resources. The reasoning is related to the one outlined above: business groups with few material resources have to invest relatively more effort in survival, making it less attractive for them to lobby on EU legislation. We thus expect that the effect of group type is conditional on the groups' material resources:

H 2 *Business associations focus relatively more on EU legislation compared to national legislation, the more material resources they possess.*

Finally, we expect groups to vary in their focus on EU legislation depending on the policy field in which they are active. The EU's competences vary across policy fields; in some fields, we thus see much more EU legislation than in others. We therefore expect groups that are active in policy fields with significant EU activity to focus more on EU legislation than groups active in fields with less EU activity:

H 3 *Associations focus relatively more on EU legislation compared to national legislation, if they are active in policy fields with much EU legislative activity.*

make sense for business groups to invest more resources on EU legislation if there are diminishing returns to investing ever more resources on a specific type of legislation. Diminishing returns may exist because policy makers will find it unattractive completely to give in to the pressures from one interest group. By contrast, they will find it easy to give a small concession to a group that was heavily disadvantaged in an earlier proposal.

How much lobbying at the EU level?

When lobbying on EU legislation, groups can try to influence policy outcomes by targeting either national or European decision-makers. Groups can approach national political actors, hoping that they will represent their interests at the European level. National governments, for example, not only play a direct and formal role in EU decision-making, but they can also use informal channels to influence the European Commission and the European Parliament. Alternatively, national associations can directly address the EU-level institutions, in particular the European Commission and the European Parliament. What explains variation in the relative importance of these two levels for the lobbying activities of national associations that are active on EU legislation?

Again relying on the assumptions set out above, we expect business associations to focus relatively more on EU-level institutions than other groups. Lobbying at the EU-level is likely to be more costly, but also more effective (because groups are likely to receive better information and can be active at the agenda setting stage) than lobbying at the national level when trying to influence EU legislation. Two factors make it more likely that the resulting trade-off is positive for business associations: first, while the diffuse constituencies of non-business groups are more likely to directly observe lobbying at the national level, the members of business associations (namely firms) are more likely to have the capacity to notice lobbying at the European level. Second, business groups are more likely to have the resources that are in high demand at the EU level, namely expertise and information (on

the demand for these resources, see for example Coen (2007: 334). By contrast, non-business groups – and here especially citizen groups that defend interests that are not directly related to the professions of their members and supporters (Berry 1999: 2) – possess resources such as representativeness and legitimacy that are in relatively higher demand at the national level, where competitive elections decide over the fate of decision-makers. We thus hypothesize:

H 4 *When lobbying on EU legislation, business associations tend to focus relatively more on EU-level institutions than other groups.*

Moreover, whether or not a group addresses the own government or directly the European Commission and the European Parliament should also depend on the power of the own country in the EU's institutional structure. Small countries have smaller voting weights in the Council of Ministers, which should matter when decisions are taken by qualified majority. Small countries also lack other resources that can give power to states in EU decision-making, such as economic strength. On average, therefore, associations in smaller countries should have a greater incentive to lobby at the EU-level than associations in larger countries:

H 5 *When lobbying on EU legislation, groups from small countries tend to focus relatively more on EU-level institutions than groups from large countries.*

The Data

We rely on data from surveys with interest groups that we carried out in Austria, Germany, Ireland, Latvia and Spain between 2009 and 2012 to test these hypotheses

(Dür and Mateo 2013). Importantly, our selection of countries covers small (Austria, Ireland and Latvia) and large countries (Germany and Spain), allowing us to test our argument about country size. The countries also vary in terms of system of interest representation (corporatist in Austria, Ireland and Germany, and pluralist in Latvia and Spain), and the length of EU membership (with Germany as a founding member and Latvia having joined in 2004, with all other countries having acceded at some point in between).

Across these five countries, we contacted 2,161 associations, including business associations, citizen groups, labour unions and professional associations. To the extent possible, we only included national-level associations and excluded regional ones, as the selected countries differ widely in degree of decentralization. Since we wanted to focus on associations with at least a minimum degree of organization (and also for pragmatic reasons, as we needed to find contact information), we only included groups in our sampling frames that had a web presence. In the smaller countries (Austria, Ireland and Latvia), we then selected the full sampling frame, as the number of groups that fit our criteria was relatively small. In Germany and Spain, we drew a random sample of associations from our sampling frames.

Although our sampling frames slightly vary across countries, the country samples that we worked with are remarkably similar. First, in all but Austria (owing to its corporatist structure of interest representation), business associations dominate the sample. This also corresponds closely to other studies (see, for example, Bernhagen (2013: 7)). Second, in each country our samples are dominated by a large number of small associations. In fact, 23 per cent of the associations that responded indicated

that they had less than a full-time employee and 24 per cent do not have any paid staff working on advocacy and public affairs. Nevertheless, due to the web page criterion, visible associations are slightly overrepresented in our samples compared to the population.

We also had similar response rates across the five countries: the lowest response rate was 36 per cent (Latvia) and the highest 43 per cent (Spain). Overall, 880 associations responded to our survey, amounting to a response rate of 40.7 per cent. This rate is similar to those achieved in similar projects.³ Several checks that we carried out suggest that the non-responses do not introduce a systematic bias in our results. For one, we found that the response rates for citizen groups and business associations are quite similar; only professional associations were slightly more likely to respond. Moreover, for associations that did not respond to our survey we used web page searches to get data on their age. The resulting data show that as of 2013, the mean age of all associations that we contacted is 37.4 years (with a standard deviation of 33.8 years) and for those that responded 36.8 years (with a standard deviation of 33.6 years). Respondents and non-respondents thus have remarkably similar characteristics. Finally, we used the EU's Transparency Register to investigate whether non-responses bias our data. We find, however, that the response rate for associations registered with the EU is nearly the same as for the overall sample (43.5 per cent as compared to 40.7 per cent for the full sample). Overall, therefore, we are confident that the non-responses do not introduce a systematic bias in our data.

³Binderkrantz and Krøyer (2012), for example, report a response rate of 44.9 per cent for their survey among Danish interest groups. Eising (2009) achieved a response rate of 40.9 per cent.

Dependent variables

Our argument refers to two different dependent variables. First, we need to measure the *relative* importance of lobbying on EU legislation (*EU Lobbying*). We rely on two different ways to operationalize this variable. On the one hand, we use the following question from our survey: “In representing your members’ interests, approximately how much time (in percent [%]) do you spend on monitoring and influencing...” with the response categories including national and EU legislation. We use the time spent on European legislation as a fraction of the total time spent on national and European legislation (*EU Lobbying (time)*). This variable ranges from 0 to 1, with a mean of 0.28. Overall, therefore, national associations spend substantially more time on national than on European legislation. Nevertheless, there is important variation across groups, as the standard deviation of 0.22 shows. On this and on some of the other variables discussed below, we lose some observations either because some associations failed to respond to some of our questions or (with respect to the dependent variables) because some groups neither spent time on national nor on European legislation, making it impossible to speak about a *share* of their resources that they spend on EU legislation (in this case, this is the case for 130 associations).⁴

On the other hand, we rely on two questions about groups’ use of ten tactics on both national and European legislation as a measure for this variable (*EU Lobbying (tactics)*).⁵ To arrive at a measure of the relative importance of EU lobbying, we

⁴That some groups responded “0” to the question on time spent on national/European legislation does not mean that they do not engage in lobbying. Groups can also lobby at the subnational or the global level, or try to influence regulatory decisions.

⁵The tactics that we listed were direct contacts with policymakers and/or public officials; participating in meetings organised by political institutions; preparing a detailed position paper;

summed the frequencies for the tactics used on EU legislation and divided this sum by the sum of the frequencies for tactics with respect to both national and EU legislation ($\frac{\sum EU\ tactics}{\sum EU\ tactics + \sum national\ tactics}$). The variable again ranges from 0 to 1, with a mean of 0.24. The two proxies for *EU Lobbying* are positively correlated at $r = 0.40$ ($p < 0.01$).

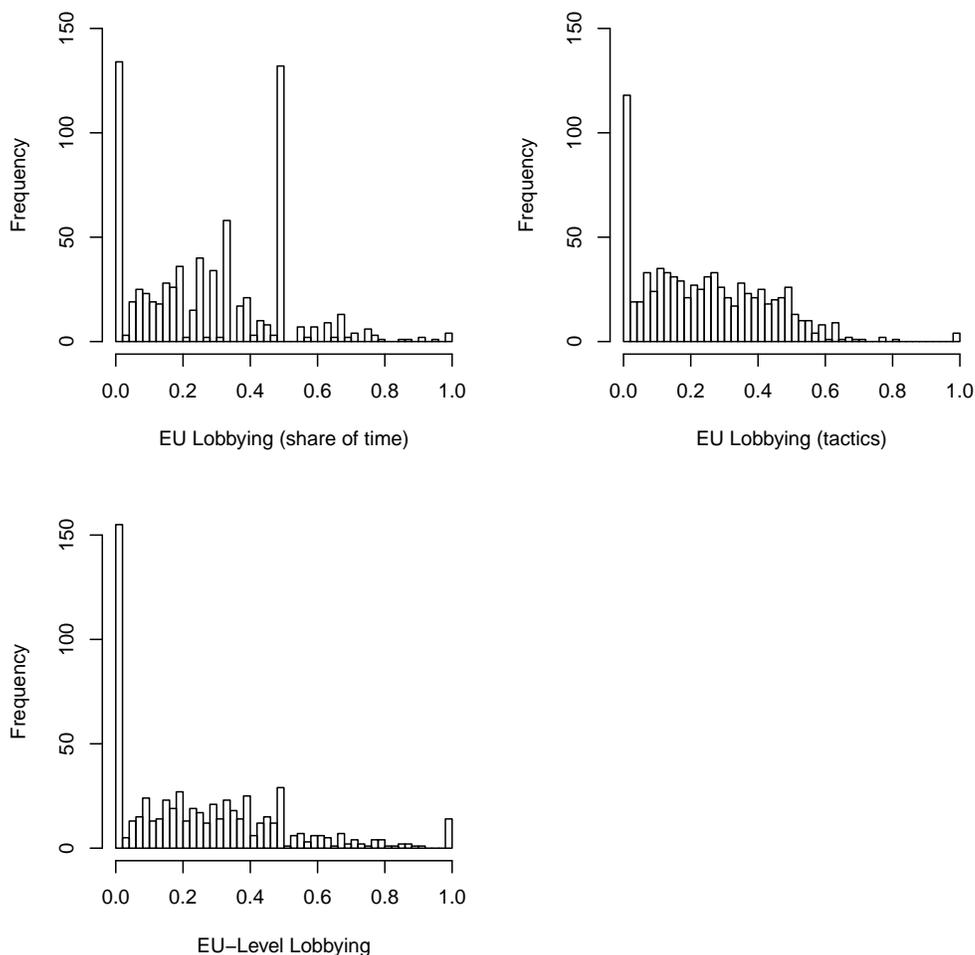
Second, hypotheses 4 and 5 refer to the *share* of EU lobbying that groups carry out at the EU level. The questionnaire contained two questions that allow us to measure this variable. The first asked about the frequency of contact with a series of national institutions “with respect to EU legislative proposals over the last two years” (the national institutions that we use in this paper are the top level of the national government, the national administration, the lower house of the parliament, committees in the national parliament, and political parties). The second question was worded equally, with the exception that we asked about contacts with a series of EU-level institutions (top level of the European Commission, desk officers in the European Commission, the Committee of Permanent Representatives, members of the European Parliament and European Parliament committees). The variable that we calculate from this data is the sum of EU-level contacts divided by the sum of all contacts (at both the EU and the national level) ($\frac{\sum EU\ contacts}{\sum EU\ contacts + \sum national\ contacts}$). Again, this variable (*EU Level*) ranges from 0 to 1, with a mean of 0.26 (and a standard deviation of 0.24). In calculating this variable, we drop 100 groups that indicated that they did not have any contact with at least one national or European

distributing folders and brochures; organising or participating in demonstrations and/or street actions; distributing a press release; organising a press conference; initiating a public debate on the internet; trying to mobilise other associations/interest groups; and hiring a consultant.

political institution over the last two years. Looking at EU contacts as a share of overall contacts does not make sense for these groups.

Figure 1 shows the distribution of the three dependent variables. As can be seen, all of them can only be observed on the standard unit interval $[0, 1]$ and are zero-inflated. This means that ordinary least square regression is not appropriate to assess our hypotheses. We will discuss our alternative approach below.

Figure 1: Distribution of dependent variables.



Explanatory variables

In hypotheses 1, 2 and 4 we refer to business associations (*Business*). Two coders manually coded this variable independently of each other, with any differences in the coding resolved in a second step. Our dataset contains data from 363 business associations, including sectoral trade associations, peak associations, and agricultural associations. The remaining groups are citizen groups (245), labour unions (33), professional associations (232) and other cause groups (7). We omit the groups in the “other” category from the analysis below (which are all from Ireland), as they do not fit our classification of groups.

For hypothesis 2 we need data on groups’ material resources. The number of staff employed by an association offers a proxy for this variable (*Staff*). No fewer than 103 groups indicated that they did not employ any full-time staff; 25 groups employ 100 or more people. We use the natural log of this variable because the effect of the first full time employee should be larger than adding an employee to an already well-staffed association.

Hypothesis 3 requires a measurement of the EU’s legislative activity by policy field and the importance of these policy fields for the associations (*Policy field*). We rely on data from Börzel (2005) to arrive at four policy fields with particularly large EU competences, namely agricultural policy, environmental policy, trade policy and transport policy. In our survey, moreover, we asked groups to indicate how important thirteen policy fields were for their political activity. Combining these two sets of data, we create a dummy variable that is 1 for groups that indicated that at least

one of the four policy fields with large EU competences was either important or very important to them. 521 groups are coded 1 on this variable and 340 are coded 0. As can be expected, business groups are substantially more likely to be coded 1 on this variable than other types of groups: in fact, 75% of business groups but only 49% of citizen groups are coded 1. To the extent that the process of European integration is endogenous to lobbying, the inclusion of this variable biases the analysis *against* Hypothesis 1.

Finally, Hypothesis 5 argues that groups from small countries will rather focus on the EU-level than groups from large countries. We use a dummy variable that is coded 1 for groups from Austria, Ireland and Latvia to operationalize this variable (*Small country*). A dichotomous operationalization of this variable comes closest to our theoretical idea. By contrast, measuring size continuously, for example via voting weights in the Council of Ministers, would make us expect major differences among small countries (Austria's voting weight, for example, is two and a half times the voting weight of Latvia), which does not seem plausible to us.

Control variables

We also include a few control variables in the multivariate models below. For one, we use two variables to control for groups' endowment with different resources. We operationalize these variables using a question on the importance of a series of resources for the political activity of the groups. Respondents could indicate whether technical expertise on specific issues (*Expertise*) and the mobilization of the public (*Mobilize public*) were very important, important, somehow important,

little important, or not at all important for their political activity. A large majority of groups (472) indicated that technical expertise is very important to them. By contrast, only 258 groups indicated that the ability to mobilize the public was very important to their lobbying activity. Moreover, we keep *Small country* as control variable in the models explaining *EU lobbying* and *Policy field* in the models with *EU level* as dependent variables. Table 1 offers summary statistics for the various variables.

Table 1: Descriptive statistics.

Statistic	N	Mean	St. Dev.	Min	Median	Max
EU lobbying (time)	743	0.28	0.22	0.00	0.25	1.00
EU lobbying (tactics)	791	0.24	0.19	0.00	0.23	1.00
EU level	639	0.26	0.24	0.00	0.22	1.00
Business	873	0.42	0.49	0	0	1
Staff (logged)	799	1.60	1.30	0.00	1.39	8.01
Policy field	861	0.61	0.49	0	1	1
Small country	873	0.52	0.50	0	1	1
Expertise	798	3.36	0.94	0	4	4
Mobilize public	794	2.80	1.11	0	3	4

Empirical Analysis

Descriptive analysis

A first expectation that we examine is whether *Business* is positively related to *EU Lobbying* and *EU Level*, as expected in hypotheses 4 and 1. In fact, Figure 2 shows that for all three dependent variables, business associations have a larger mean value than non-business groups. In Figure 3, furthermore, we show that groups

for which policy fields with large EU competence are important focus more on EU legislation (and are also more likely to be active at the EU level) than other groups. For groups that are not active in policy fields with large EU competence, the mean value on *EU Lobbying (time)* is 0.23. For the others, the mean on *EU Lobbying* is 0.30. The differences are similar for the other two dependent variables. Finally, we expect that groups from small countries are more likely to engage in lobbying at the EU level than groups from large countries. Again, this expectation is born out in the bivariate analysis, but the difference is very small: the mean on *EU Level* for associations from the three small country is 0.27 and the mean for groups from the two large countries is 0.25. The small difference between large and small countries is mainly driven by Latvia; by contrast, Austria and Ireland have mean values on *EU Level* that are substantially larger than those of Germany and Spain.

Figure 2: Business.

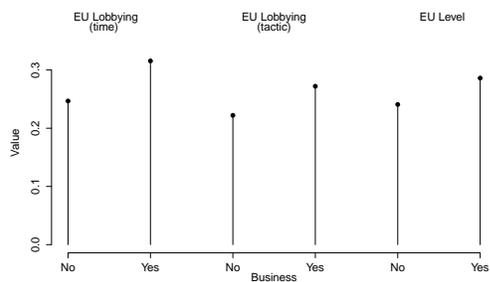
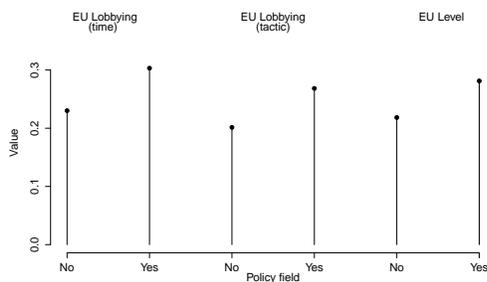


Figure 3: Policy field.



Multivariate analysis

As shown above, our three dependent variables are bounded by 0 and 1, with a particularly large number of 0s. With such a dependent variable, using ordinary

least squares regression is not appropriate. Several options of how to deal with such a variable exist: for example, the bounded but continuous dependent variable could be converted into an ordinal variable. The problem with this approach, however, is that the cut-off points used to establish the ordinal values are arbitrary. Moreover, a small difference in the continuous variable can end up as a qualitative difference in the ordinal variable. Alternatively, a Tobit model, which assumes that the dependent variable is censored (that is, the dependent variable can take on values smaller than 0, but for whatever reason we are not able to observe these values and instead observe 0), could be estimated. Our dependent variables, however, are not censored; they are naturally bounded at 0 (that is, the data are only defined for the interval $[0, 1]$). Moreover, the Tobit model requires normality of the assumed non-censored dependent variable. Finally, beta regression is inappropriate in our context, as it can only be applied if the dependent variable does not take on the values of 0 and 1.

As these other options are not available, we rely on fractional regression (Papke and Wooldridge 1996; Ramalho, Ramalho and Murteira 2011), which is designed to deal with data that is bounded by 0 and 1 and that takes on values at the boundaries. Fractional regression can come in one or two parts. In two-part models, the discrete element (the boundary values) of the data is modelled relying on a logistic regression model and the continuous part $(0, 1)$ as a fractional regression model. Below, the base line results are estimated using a one-part model with binomial distribution and Bernoulli-based quasi-maximum likelihood. Our choice of a one-part model is based on theoretical considerations: we expect that the same mechanism explains the discrete and the continuous parts of the data. In robustness checks, however,

we show that the results are very similar when relying on a two-part approach.

Our data are from associations that are nested in countries. The presence of *Small country* as a predictor in our models does not make the inclusion of country fixed effects appropriate (the combination of four country fixed effects is perfectly correlated with *Small country*). Including three country fixed effects (instead of four, to avoid multicollinearity), however, does not change the results reported below. At the same time, with only five clusters, a mixed model with random effects is not helpful, either. Instead, we present standard errors clustered by country below to still take account of the clustering of groups by country.

We start the multivariate analysis with a few models that have *EU lobbying* as dependent variable (see Table 2). The results are very encouraging. In Model 1, we use the operationalization of the dependent variable that relies on the question regarding the time spent on EU legislation relative to the time spent on both EU and national legislation. As expected in Hypothesis 1, the coefficient for *Business* is positive and statistically significant. The substantive effect of this variable is sizeable: whereas the expected value on *EU lobbying* for a business group is 0.32 [0.316, 0.324], the expected value for a non-business group is 0.25 [0.246, 0.253]. This difference is approximately the same as a move from the 1st to the 25th percentile on *EU lobbying*. Translated into the actual unit of the dependent variable, this means that business groups spend 7% more of their time on EU legislation than non-business groups. Equally, *Policy field* is positive and statistically significant, which supports Hypothesis 3. The substantive effect of this variable is similar to the one of *Business*.

Table 2: Explaining variation in relative focus on the EU

	(1) EU lobbying (time)	(2) EU lobbying (tactics)	(3) EU lobbying (time)	(4) EU lobbying (tactics)
Business	0.24*** (0.09)	0.18** (0.08)	-0.08 (0.16)	-0.06 (0.14)
Policy field	0.32*** (0.10)	0.30*** (0.09)	0.32*** (0.10)	0.30*** (0.09)
Staff (log)	0.01 (0.03)	-0.04 (0.03)	-0.03 (0.04)	-0.08** (0.03)
Small country	0.03 (0.08)	-0.07 (0.07)	0.05 (0.08)	-0.06 (0.07)
Expertise	0.10** (0.05)	0.03 (0.04)	0.09* (0.05)	0.03 (0.04)
Mobilize public	-0.04 (0.04)	0.06* (0.04)	-0.04 (0.04)	0.06 (0.04)
Business*Staff			0.20*** (0.07)	0.15** (0.06)
Constant	-1.55*** (0.24)	-1.57*** (0.22)	-1.45*** (0.25)	-1.50*** (0.22)
Observations	680	724	680	724
AIC	0.90	0.84	0.90	0.84
Log. Lik.	-297.33	-296.52	-296.54	-296.07

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

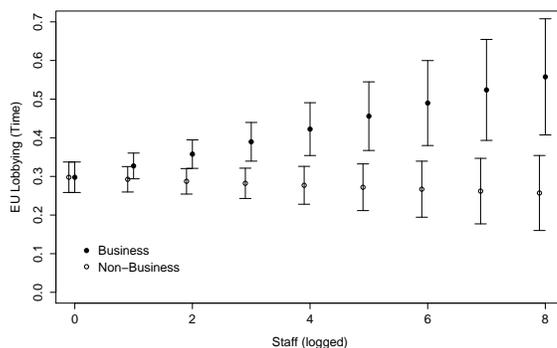
Of the control variables, only *Expertise* is statistically significant. As expected, groups that can offer expertise and information lobby more on EU legislation than other groups. By contrast, a group's material resources (*Staff*) does not matter

for its relative focus on the EU. This is not astonishing, as with a proportion as dependent variable, material resources should not have a direct influence on the amount of EU lobbying. The fit of the model is decent, but it underestimates both the number of groups that score 0 on the dependent variable and the number of groups that score high values on the dependent variable. It is for this reason that below we also implement a two-part model.

When relying on the operationalization of *EU lobbying* via groups' use of tactics with respect to EU and national legislation, the results are similar (see Model 2). The only relevant difference is that *Expertise* is not statistically significant in this model; by contrast, the ability to mobilize the public is (surprisingly) positive and weakly statistically significant.

In models 3 and 4, we add an interaction effect between *Business* and *Staff* to test Hypothesis 2. As expected, the coefficient for the interaction term is positive and statistically significant. Figure 4 shows the interaction effect graphically, with the values calculated while keeping other predictors at the mean or the mode. For business groups, the expected value on *EU lobbying* clearly increases as *Staff* increases. In fact, the expectation for a business group from a small country that is active in policy fields with large EU competence, and that has no full-time staff, is that it invests about 30% of its time on EU lobbying. For an otherwise identical group with the maximum number of staff in the dataset, this value increases to 56%. By contrast, as shown in Figure 4, *Staff* does not condition the effect of non-business groups (the effect is slightly negative, but this is not statistically significant).

Figure 4: Interaction effect.



Hypotheses 4 and 5 refer to *EU Level* as dependent variable. We test these expectations in models 5 and 6 (see Table 3), again relying on fractional regression. In Model 5, as expected, the coefficient for *Business* is positive and statistically significant. Even controlling for material resources and the type of resources that a group can exchange for access, therefore, business groups focus their lobbying efforts relatively more on EU-level institutions than non-business groups. As expected in Hypothesis 5, moreover, groups from small countries put a greater emphasis on the EU-level when lobbying on EU legislation (the coefficient, however, is only weakly statistically significant). It thus seems plausible that interest groups take into account the power of the own country in the EU when deciding on whether to access national-level or EU-level institutions.

Table 3: EU-level versus national-level lobbying.

	(5)	(6)
	EU level	EU level
Business	0.22** (0.11)	-0.11 (0.19)
Policy field	0.26** (0.12)	0.26** (0.12)
Staff (log)	0.11*** (0.04)	0.07 (0.04)
Small country	0.20* (0.10)	0.22** (0.10)
Expertise	0.19*** (0.06)	0.19*** (0.06)
Mobilize public	-0.05 (0.05)	-0.05 (0.05)
Business*staff		0.19** (0.08)
Constant	-2.14*** (0.29)	-2.05*** (0.29)
Observations	605	605
AIC	0.90	0.90
Log lik.	-264.42	-263.76

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Robustness checks

The results are robust to variations in model choice and operationalization. For one, we present the results from a two-part model, in which we first assess whether

a group scores 0 or > 0 on the dependent variable using a complementary loglog regression, and then estimate the fractional part of the dependent variable using a logit model. The theoretical reasoning here is that first groups might decide whether to become active on EU legislation at all (whether to contact any EU-level institutions) and then how much of their resources to invest on EU legislation (how many contacts to have at the EU level).

The results again are supportive of our hypotheses (see Table A-1 in the Appendix). When explaining *EU Lobbying*, *Business* is positive and statistically significant in both parts. The coefficient for *Policy field* is also positive and statistically in both equations. When using a two-part fractional regression model to explain variation in *EU Level*, *Business* explains whether or not a group embarks on EU-level lobbying (part I); however, it does not explain the extent of lobbying at the EU-level (part II). We get the same result for *Policy field* and *Small country*. In fact, in the second part of the model only *Expertise* and *Mobilize public* are statistically significant. Intuitively, *Expertise* increases the number of contacts at the EU level, whereas *Mobilize public* is negatively related to the frequency of EU-level contacts. This is in line with the theoretical reasoning set out above with respect to the resources required for lobbying efforts at the EU-level and the national level.

Moreover, the results obtained using fractional probit regression (Papke and Wooldridge 2008) are very similar to those reported in Tables 2 and 3 (see Table A-2 in the Appendix). Finally, our substantive results do not change when disaggregating group type to more fine-grained categories. Concretely, in Table A-2 in the Appendix we show that the coefficients for *Business* remain positive and statis-

tically significant (weakly in Model A7) for all three dependent variables when also controlling for labour unions (*Labour*) and professional associations (*Professional*), and having only citizen groups as the base category. In fact, the models confirm our approach of not disaggregating group type in the base models, as none of the coefficients for *Labour* and *Professional* turn out to be statistically significant. Labour unions and professional associations thus behave as citizen groups do. Overall, therefore, the results are very robust to changes in estimation approach and operationalization.

Conclusion

What explains variation in the extent to which national interest groups have become Europeanized? We have approached this question from two angles. First, groups can focus a greater or a smaller proportion of their political activity on EU legislation as compared to national legislation. Second, when trying to get informed about and potentially influence EU legislation, groups can decide how much activity they carry out directly at the EU level (in Brussels and/or Strasbourg) and how much activity they engage in at the national level (for example, trying to shape the national government's position in the Council of Ministers). More Europeanized groups will focus relatively more on EU legislation and have a relatively greater number of contacts with decision-makers at the EU level.

The argument put forward in this paper suggests that business groups invest a greater proportion of their time on EU legislation than non-business groups. We also

expected business groups, relative to their activity at the national level, to engage more with decision-makers at the EU level. The effect of group type, however, is conditional on the material resources a group possesses. Whereas material resources increase the Europeanization of business groups, they have no impact on the degree of Europeanization of non-business groups. Other variables that we stressed in our explanation of the Europeanization of national interest groups are policy field and the size of the home country. Using a novel dataset with information on 880 national interest groups from five EU member countries, the empirical analysis has offered robust support for this argument.

Our findings have implications for a variety of scholarly debates. First, we show the extent of Europeanization of national interest groups across five countries. Although the glass may also be seen as half empty, in our view it is surprising that we see a large number of *national* associations, many of which small and with little material resources, that invest a substantial share of their resources on EU legislation and lobbying at the EU-level. Nevertheless, clearly Europeanization is not a uniform process, not even within specific countries. Second, the unequal Europeanization of key political actors, namely interest groups that try to shape public policy, should be taken into account in theories of European integration. If some national groups end up being highly active on EU legislation and at the EU-level, while others remain firmly rooted in national politics, it may be expected that the two sets of actors develop quite distinct views. This may lead to controversy over the course of integration in the long-term.

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Appendix

Table A-1: Robustness Checks I: Two-Part Models.

	(A1)		(A2)	
	(EU lobbying)		(EU level)	
	Dich.	Fraction	Dich.	Fraction
Business	0.21** (0.11)	0.17** (0.08)	0.36*** (0.11)	0.04 (0.10)
Policy field	0.30*** (0.11)	0.18** (0.08)	0.42*** (0.12)	0.02 (0.10)
Staff (log)	0.14*** (0.04)	-0.05 (0.03)	0.22*** (0.05)	-0.003 (0.03)
Small country	-0.02 (0.10)	0.03 (0.07)	0.22** (0.11)	0.05 (0.09)
Expertise	0.10* (0.06)	0.05 (0.04)	0.12** (0.06)	0.12** (0.05)
Mobilize public	0.06 (0.05)	-0.07** (0.03)	0.08* (0.05)	-0.11** (0.05)
Constant	-0.42 (0.26)	-0.76*** (0.20)	-1.17*** (0.3)	-0.82*** (0.26)
Observations	680	562	605	466
Log lik.	-296.26	-255.95	-292.62	-218.39

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table A-2: Robustness Checks II: Fractional probit regression.

	(A3) EU lobbying (time)	(A4) EU level
Business	0.15*** (0.06)	0.13** (0.06)
Policy field	0.19*** (0.06)	0.15** (0.07)
Staff (log)	0.01 (0.02)	0.07*** (0.02)
Small country	0.01 (0.05)	0.12** (0.06)
Expertise	0.06** (0.03)	0.11*** (0.04)
Mobilize public	-0.02 (0.02)	-0.03 (0.03)
Constant	-0.94*** (0.14)	-1.29*** (0.17)
Observations	680	605
Log lik.	-399.09	-344.58

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Table A-3: Robustness Checks III: Disaggregating group type.

	(A5) EU lobbying (time)	(A6) EU lobbying (tactics)	(A7) EU level
Business	0.29** (0.11)	0.27*** (0.10)	0.21* (0.13)
Labour	-0.03 (0.24)	0.02 (0.17)	-0.32 (0.23)
Professional	0.09 (0.13)	0.18 (0.11)	0.04 (0.16)
Policy field	0.32*** (0.10)	0.31*** (0.09)	0.28** (0.12)
Staff (logged)	0.02 (0.04)	-0.03 (0.03)	0.12*** (0.04)
Small country	0.04 (0.08)	-0.06 (0.04)	0.20* (0.10)
Expertise	0.09** (0.05)	0.02 (0.04)	0.19*** (0.07)
Mobilize public	-0.03 (0.04)	0.07* (0.04)	-0.04 (0.05)
Constant	-1.61*** (0.25)	-1.68*** (0.22)	-2.16*** (0.30)
Observations	680	724	605
Log lik.	-297.26	-296.26	-264.19

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$