How wealthy lobby groups benefit from a silent media

Affluent interest groups are often said to enjoy a greater capacity to influence policy when compared to economically deprived groups. Yet, academic studies find no consensus about the validity of this commonly held belief. Drawing on a new study, Frederik Stevens and Iskander De Bruycker suggest that the role of economic resources for lobbying influence is mediated by the attention that policy issues attract in the news media. Their study shows that wealthy lobby groups are indeed more influential on EU policies, but their competitive advantage disappears for issues which are highly salient in the news media.

Do economic resources enable interest groups to influence democratic decision-making? One answer to this question is that by mobilising their financial resources, wealthy lobby groups can tip the scales of policymaking in their favour, often at the expense of citizen interests. Intuitively, the idea that economic resources increase a lobby group’s influencing capacity makes sense. At the very least, money enables lobby groups to hire personnel who in turn can collect, process and communicate valuable information to policymakers. However, several studies paint a more complicated picture. Often, lobbyists with the most financial backing fail to procure meaningful policy victories. Think about the failure of TTIP, which was backed by big business on both sides of the Atlantic. So, it appears that spending more money does not always result in more policy influence.

The role of media attention

Has the importance of money for policy influence been overstated? Arguably, it depends on the context in which economic resources are spent. In a recent study, we show that media attention to policy issues will determine whether wealthy interest groups wield disproportionate influence. If a policy issue is mostly discussed behind the scenes and key stakeholders and the news media remain ‘quiet’, rich lobby groups find it easier to affect EU policy outcomes. This is because decision-makers have little to gain and much to lose by opposing economically resourceful groups on quiet issues, as they depend on such groups for getting relevant expert information.

However, less wealthy groups can try and punch above their weight once media attention increases. Power distributions may shift and tilt once a conflict expands and a broader array of stakeholders becomes involved. Under such circumstances, other types of policy resources become more important for policymakers. For policy issues attracting high levels of media attention, policymakers will prefer political over technical information. And, whereas expert information is mostly acquired with economic resources, gathering political information is often less expensive. When fighting a lobbying battle in the public spotlight, the ability to speak on behalf of the broader public, to devise catchy slogans and mobilise grassroots campaigns becomes more important than lobbyists’ economic capacities.

The European context

Our research focuses on the European Union. This case provides a particularly relevant setting given the criticism regarding its democratic deficit. Eurosceptics regularly point towards the EU’s accountability gap and the opaqueness of its allegedly elite-driven policies. Several scholars have substantiated this critique by demonstrating that wealthy business organisations more easily gain access to EU decision-making bodies. Subsequently, we investigated whether wealthy interest groups also wield disproportionate control over EU policy outcomes.

The setting of the EU is also promising to test our expectations as these increasingly critical voices go hand in hand with the need for a strong trans-European civil society. Moreover, the EU – and the European Commission in particular – has a broad policy agenda but limited policy resources causing a greater dependency on information exchanges with resourceful interest groups.

Measuring influence
We assembled data on 41 policy issues in the European Union and sent out a survey to those interest groups active on at least one of the issues in the period between June 2017 and August 2018. In total, 183 lobbyists reported whether their organisation was able to significantly impact EU decision-making on the particular issue. We combined this self-perception measurement with an attributed measure of influence by asking them which other lobby groups were influential on the issue. When combined, these measures should provide an accurate depiction of whether a group exerted control over policy outputs. This two-sided approach allowed us to answer the following questions: do interest groups perceive themselves as influential on a policy issue, and does this perception correspond with the perceptions of other groups active on the issue? The European Environmental Bureau, Business Europe and Copa-Cogeca were identified as the most influential lobby groups in our database.

Figure 1: Relationship between economic resources and influence for different degrees of media attention

![Graph showing the relationship between economic resources and influence for different degrees of media attention.]

Note: For more information, see the authors’ accompanying paper at European Union Politics

We ran a regression analysis with the dependent variable being whether groups are both considered by themselves and at least one other stakeholder as influential. We controlled for several alternative explanations such as the importance of the issue to the group, the type of interests they represent, their policy position, their access to the media, their possible coalition membership and the intensity of group mobilisation on the issue. While controlling for all these factors, we still found that economic resources lead to more influence on quiet issues. The relationship between economic resources and media salience is portrayed in Figure 1. For instance, we see that groups with only one staff member have a 3% probability to be influential while interest groups with 50 staff members have a 70% probability of being influential on quiet issues.

However, it appears that media attention empowers less resourceful groups. For issues that are highly salient in the media, interest groups with only one staff member have a 25% probability of being influential, while interest groups with 50 staff members even have a much lower probability of being influential (7%). This finding is well illustrated by the highly salient financial transactions tax (FTT) issue. The wealthy European Savings and Retail Banking Group (with more than 30 staff members in their Brussels’ office) was not influential on the FTT issue. Meanwhile, the much less economically resourceful European Network on Debt and Development (with only five staff members) was able to significantly impact the EU’s decision-making process on this salient issue.

Interest representation and policymaking
We conclude that low media attention offers significant opportunities for affluent lobby groups to reap the political fruits of their economic wealth. If democratic states are interested in combating the disproportionate power of wealthy lobby groups on particular issues, then it is critical that these issues become more visible in the news media. In reality, we demonstrate that media attention and public scrutiny of policy issues can counterbalance the role of economic resources for political influence. Especially in an increasingly mediated world, these findings may offer nuance to the popular concern that money buys power.

For more information, see the authors’ accompanying paper at European Union Politics

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