

Going Public or Staying inside?

Lobbying strategies at Global Conferences

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Abstract. This paper sets out to explain why organized interests that lobby at transnational diplomatic conferences invest in either in- or outside lobbying. Lobbying at transnational conferences does not seem to be a very fruitful endeavor for influence seeking purposes and especially the use of outside lobbying at transnational political venues is puzzling because international negotiations are mostly held far away from national constituencies and a relevant public opinion. We argue that a proper understanding of the use of different transnational lobbying strategies needs to account for influence seeking purposes of concrete lobbying activities as well as organizational maintenance goals. Empirically we draw from interview data with 232 interest groups representatives originating from 59 countries that participated at three transnational conferences. Our analyses demonstrate that resources and in particular the competition actors face in obtaining necessary resources significantly affect the extensiveness with which organized interests invest in outside lobbying.

Introduction

Transnational advocacy is most known to the broad public for the critical voices that make the news headlines. Yet, transnational advocacy is far more diverse than the highly publicized events that make it into the news. It involves a large variety of NGOs, companies, business associations and research institutes. Many of these actors draw from a wide range of strategies to influence policy outcomes. Some rely on strategies directly aimed at policymakers and mostly these activities will not be visible to a broader audience; much of the politics surrounding such strategies can be labeled as inside lobbying or quiet politics (Culpepper 2011; Dür & Mateo 2013). Other strategies address policymakers indirectly. Instead of seeking direct access, advocates mobilize and raise the awareness of a broader audience by communicating their message through various sorts of public media. Such outside lobbying tactics generate visibility among a broader public. While the study of in- and outside strategies has received quite some attention (AUTHOR; Binderkrantz 2005; Dür & Mateo 2013; Hojnacki 1997; Holyoke 2003; Kollman 1998), at this point most studies have been conducted at the national level – usually within single political systems and seldom comparing different countries – or at the supranational level of the European Union.

The use of in- and outside strategies by transnational lobbyists, however, is much less studied in a systematic fashion. This is surprising because transnational lobbying provides us with an interesting puzzle. That is, international policymaking is largely a state-affair with governments bargaining in settings that remain remote from domestic audiences (Putnam 1988; Zahrnt 2008). In addition, policy change is rather difficult to realize as some key features of international negotiations – the many veto players and the required unanimity – makes that policymaking runs the risk of ending up in deadlock or lowest common denominator outcomes (Narlikar 2010; Underdal et al. 2012). These characteristics of transnational policymaking seem to make lobbying rather useless and unlikely. Yet, outside lobbying during transnational negotiations seems, at first glance, even more unlikely and scholarship is divided about the success of outside lobbying as an influence seeking strategy in transnational settings (Chalmers 2013; Eising, 2007; Mahoney 2007a; but see Dür and Mateo 2014). The limits in terms of realizing political change at the international level and the costs related to transnational advocacy, makes one wonder why transnational interests would go public at all. In addition, the international level lacks a coherent public opinion that can be mobilized. There is no such thing as a global public opinion or a global citizenry to influence and involve in lobbying activities. Instead, the different publics are situated within countries, which is something that constrains the usage of outside strategies by transnational advocates.

Combined, this brings us to our central research question: why do interest groups invest in public strategies when seeking to influence global policymaking processes?

Our argument is that transnational advocacy is not only driven by influence seeking imperatives. Often organized interests will engage in transnational advocacy to mobilize resources or attract members, to show constituencies that they are resilient warriors. Although in- and outside strategies are usually conceived of as influence seeking tactics, we argue that variation in the usage of lobbying strategies reflects distinct needs in terms of organizational survival. Our study speaks to several debates in the political science literature. First, our study builds on research on interest groups strategies in multi-level political systems as it demonstrates that in- and outside lobbying strategies by transnational advocates is driven by a logic of membership. Second, our contribution also responds to some recent calls to bridge the gap between these two highly separate literatures (Bloodgood 2011; Tallberg et al. 2013). More specifically, we migrate theoretical perspectives on outside lobbying from the interest group literature to the literature on transnational advocacy allowing us to explore the extent to which knowledge generated in the interest group field can be validated in another context.

Our empirical analyses builds on interview data with 232 interest group representatives originating from 59 countries that participated at three transnational conferences: the Geneva WTO Ministerial Conference (2012) (MC hereafter), and the Durban (2011) and Doha (2012) Conference of the Parties of the UNFCCC (COP hereafter). The next two sections develop the theoretical framework and research hypotheses. The section thereafter presents our research design and discusses the operationalization of our dependent variable and the explanatory variables. In the empirical part, we rely on multivariate regression analyses to test our hypotheses. We conclude with a summary and discussion of our main findings.

Theoretical perspective on in- and outside lobbying

An obvious starting point for understanding why organized interests use in- or outside strategies is to conceive such practices as *influence seeking* strategies. Lobbying is often conceived of as an exchange between policymakers and organized interests whereby the latter supply relevant information to policymakers and expect to obtain some desired policy outcome in return (Bouwen 2002; Dür & Mateo 2013). When making policies, policymakers, in our case international negotiators, face considerable uncertainty in terms of what is feasible in political and practical terms. In political terms policymakers need information on whether or not, and the extent to which, their principals support the positions they defend

internationally. However, at times, information gathering on such matters can be highly difficult as the principals of international negotiators – which could be voters or national politicians – are not involved in or aware of all the issues on the negotiation table. In practical terms negotiators aim to struck deals that can be implemented and/or do not generate excessive costs for domestic businesses or consumers. Especially, the generalist orientation of most policymakers, makes that they lack sufficient technical expertise in order to account for all the specificities related to particular issues. This uncertainty creates an opportunity for organized interests that are capable to provide technical or political information to supply highly needed expertise to policymakers. It is through supplying access opportunities to such organized interest that policymakers try to reduce the information scarcity and uncertainty they face (Bernhagen & Bräuninger 2005). In turn, organized interests seek access in order to generate political attention and policy influence. Yet, policymakers cannot grant equal access to all organized interests that seek access and attention. The policymaker's limited capabilities and transaction costs associated with interactions with interest groups, makes that policymakers will be selective in their propensity to supply access. Access is a scarce good and most organized interests will only occasionally or never gain direct access.

As a result, lobbying can be conceived of as a competitive race in order to obtain this scarce good. In this competitive race organized interests can make use of inside tactics, which includes all activities that are directly addressed to policymakers. Usually such tactics are not immediately visible to a broader public. Many organized interests prefer quiet politics and try to contact policymakers directly via email exchange, telephone calls, face-to-face meetings and informal talks at conferences, lunches and dinners. Next to seeking direct access, organized interests can also seek indirect attention for their views by raising the awareness among the broader public. They make noise in the media, draw the public's eye to their cause and pressure policymakers from outside the institutional realm. Such outside lobbying can expand the support among constituencies and signal to policymakers that a particular topic is highly salient.

But why organized interests opt to invest more or less in outside relative to inside lobbying has various reasons. Outside lobbying is sometimes portrayed as a measure of last resort or a weapon of the weak (Della Porta & Diani 1999: 168-169; Gais & Walker Jr 1991: 105; Kollman 1998: 107-108). The underlying presumption is then that inside strategies are superior as they are mostly used by the powerful. However, the literature is undecided about whether outside lobbying is inferior to inside tactics. Mahoney, for instance, observed a negative relationship between the use of outside strategies and lobbying success (2007a; see

also Eising 2007). Chalmers on the other hand, finds inside and outside lobbying to be equivalently effective in gaining access (2013; see also AUTHOR). Scholars as Kollman (1998) and Smith (2000) argue that the success of outside lobbying as an influence strategy depends on external factors, such as issue salience and the support an organized interest enjoys among the broader public (see also Dür & Mateo 2014). Finally, some scholars stated that much outside lobbying is conducted by powerful and resourceful actors as a skillful use of media strategies is highly demanding (Binderkrantz 2012; Danielian & Page 1994; Thrall 2006).

All this reasoning conceives lobbying – both inside and outside – predominantly as an influence seeking strategy. In contrast, we argue that these strategic considerations are also driven by a logic of organizational maintenance. That is, next to influence seeking imperatives, another important goal of organized interests is to maintain themselves. Interest groups seek to survive and function as an organization, to maintain and to expand their resources so that political battles that might be lost today can still be fought tomorrow (Lowery 2007; Dür & Mateo 2013). Our key argument is that lobbying practices are constrained, or even driven, by a logic of survival. Our reasoning is that an interest group will avoid strategies that threaten its organizational maintenance and seek to develop lobbying strategies that may help the organization to flourish.

On the one hand, inside lobbying could contribute considerably to organizational maintenance. By gaining structural and regular direct access to policymakers an interest group can build stable and long-lasting relationships with policymakers (Fraussen 2013). Such stable relationships and networks can serve as important signals to members and supporters that their representative organization is impactful. On the other hand, inside lobbying does not generate public exposure nor are inside tactics visible to possible members or supporters. By investing predominantly in inside lobbying, an organized interest might run the risk that its constituency does not even notice it was actively engaged in lobbying on an issue.

This is different for outside lobbying where visibility to supporters and members as well as a broad range of policymakers is crucial. Outside tactics allow an organized interest to signal to its constituency that it is actively working on a specific cause and, in this respect, it can serve as an instrument of organizational maintenance. Reaching beyond policymakers alone, enables interest organizations to attract members, raise funds, improve the organization's public image and visibility, and inform constituencies. We argue that explanations of lobbying strategies – more precisely the usage of outside relative to inside lobbying – need to incorporate these maintenance related goals. More in particular, in

designing outside strategies, a lobbyist will try to reach out to potential and existing members to inform them about the organization's position and to 'market' their services, for instance to increase the amount of donations of sponsors or membership fees (Binderkrantz 2005; Dür & Mateo 2013; Mahoney 2007a; Waters 2013).

Research hypotheses

We now turn to specific research hypotheses that account for our perspective on lobbying strategies. To begin with, inside and outside lobbying are part of the strategic interaction between policymakers and interest groups. Inside lobbying is particularly useful for the transmission of operational and technical information. It is in closed settings such as expert committees, agencies or advisory bodies that the technical pros and cons of policies are scrutinized in detail. Actors seeking access to these arenas have to supply credible and valid expertise. Outside lobbying entails the indirect information transmission from interest organizations to policymakers via public arenas. Such arenas are less well suited for the extensive and detailed scrutiny of technical and operational feasibilities. This brings us to a focus on organizational form. Combining the nature of a strategy in terms of its information transmission qualities and the type of information an organized interest can supply, will largely explain whether organized interests invest in outside lobbying. The starting point is that different types of organizations possess varying sorts of information and some types of information fit better with inside or outside lobbying. This means that organizational form will be a key explanatory factor in developing influence seeking strategies (Dür & Mateo 2013). In this paper we distinguish between four types of organizational forms for interest groups: encompassing business associations, specialized business groups, NGOs and research organizations. We expect that each of these organization types pursues different strategies because they rely on distinct constituencies and, related to this, other types of information they can supply to policymakers (AUTHOR; Binderkrantz 2008; Bouwen 2002).

Often research on strategies and influence conceive business as one homogeneous set of actors of which is presumed that they defend a clearly delineated constituency for which the costs and benefits of policy outcomes are strongly concentrated. The problem with this reasoning is that collective action problems are conflated with policy interests. It could be that all business organizations make less use of outside lobbying irrespective of the varying collective action problems they face. If not, we should control for variation in collective action problems within the business community. First, specialized business interests hold technical expertise and knowhow confined to one particular product, area or field (Bouwen

2002). Generally, they have a considerable set of professionals dealing with highly specific issues and their lobbying activities are usually confined to a particular niche. Given their niche orientation, such organizations are well suited for supplying technical expertise, which means that they are less prone to use outside lobbying. Compared to other organization types, the creation of technical expertise is rather inexpensive for them; often it is a byproduct of the day-to-day economic and industrial activities of their members. Much of their expertise, giving the sometimes highly technical nature, is hard to convey in public arenas and detailed technical expertise is more easily shared via direct communication channels.

Second, encompassing business interests, such as sector-wide or cross-sectoral associations, are specialized in developing coordinated policy positions and being representative for a wide range of business interests. These associations aggregate preferences of a variety of companies. Typical is that they follow multiple parts of a policy process and present broadly supported policy positions to policymakers, which is their way to influence the policy process. A typical feature of international negotiation processes is that policymakers seek to forge compromises through forging issue linkages (Davis 2004; Putnam 1988), which makes that there is a considerable demand for information that aggregates a considerable diversity of views. Their encompassing organizational form makes that cross-sectoral or sector-wide business associations face, compared to highly specialized business organizations, more collective action problems. In addition, they also need to communicate with a broader audience as their membership is more dispersed over different sectors and fields. Therefore, we expect that more encompassing business interests make, in comparison to specialized business, more use of outside lobbying.

Third, typical for NGOs is that they lack a direct overlap between a constituency that benefits from their advocacy efforts and those who actively support them (e.g. membership, sponsors). Often beneficiaries are not able to speak on their own behalf; typical examples are future generations or non-human interests (Halpin 2006). In comparison, most business groups represent a well-defined and rather easy to reach constituency. While an organization representing car manufacturers or the fruit juice industry has a strictly designated corpus of supporters who they can reach by mail or telephone, the constituency of NGOs exists of a diffuse set of actors supporting the ideals the organization articulates. For instance, a development NGO represents individual donors, the recipients of development aid, and sometimes also public authorities in developing countries that sponsor them. Outside lobbying is then a relevant channel as this allows them to reach a broad group of interested supportive stakeholders. In particular on issues that happen outside the public's eye, such as international

trade or climate negotiations, a slight increase of media attention gives an opportunity to NGOs to communicate with (potential) members even more intensively. This lack of a direct constituency makes also that they invest more intensively in convincing and raising awareness among the public and a broad set of policymakers. Therefore, NGOs tend to develop considerable expertise on, for instance, the number of people that support their cause or on how to build political campaigns (Chalmers 2012). The fact that developing expertise information is much more costly for them (especially compared to specialized business) makes that inside channels are relatively more costly and will be avoided.

Fourth, transnational arenas attract many research organizations that aim to develop and disseminate policy expertise and technical knowledge. Being a research organization installs some neutral political image as their main goal is to spread knowledge towards a broader public and provide elucidation for unfolding societal and political events. Although research organizations, do not claim to speak on behalf of some constituency or members, many of them have a political affiliation, more in particular as they function as government or corporate sponsored think-tanks, which makes that they will first and foremost supply information in support of their sponsors. Research organizations will therefore actively seek out the public debate as a way to showcase their image as knowledge providers. Yet, given the institutional sponsorship they enjoy, they do not necessarily need the public arena in order to communicate with their diffuse constituents as is the case for NGOs. This leads to the following hypothesis:

H1: NGOs rely more on outside lobbying strategies than research organizations and business interests. Among business interest we expect to find a lower propensity to outside lobby among specialized groups compared to more encompassing groups.

Even if one considers outside lobbying as a strategy of the weak, the use of such strategies cannot be considered as being without costs. Generally, the extensiveness of outside lobbying expenditures can be seen as a function of organizational resources. Here we expect that the different role of outside lobbying for different organizational types leads to varying patterns of resource investment in this strategy. Former research showed that both business interests and NGOs combine inside and outside strategies and that how strategies are combined can be explained by the fact that organizations face uncertainty regarding the outcome of their lobbying efforts (AUTHOR). Therefore, organizations seek to optimize their chances of success by investing their resources in multiple strategies (see also Binderkrantz 2005). Yet, uncertainty is less an issue for resource rich organizations who can use their slack

resources for investment in both outside and inside strategies. Nonetheless, prosperous organizations might also invest more in lobbying strategies that fit best with their organizational type in terms of resource needs and influence seeking purposes. This implies that the impact of resourcefulness should be seen as conditional on organization type. Here we expect the strongest difference between NGOs and business organizations. As NGOs typically possess information, experience and have goals that can be easily conveyed through outside channels, we expect them to increasingly use outside lobbying when they have more (not less) material resources to their disposal. In contrast, business are, when their resources increase, in relative terms more inclined to invest in inside strategies as they possess technical know-how that better fits with inside channels (Dür & Mateo 2013).

H2: More resources results in less outside lobbying for business interests, but in more outside strategies by NGOs.

The resource tactics of an interest organization however rely strongly on the nature of the dependency relationship between an organization and its supporters. Some organized interests possess a ‘representational monopoly’. For example, the International Organization of Motor Vehicle Manufacturers is the only global peak association defending car manufacturers. Few other organizations have such a monopoly and most face competition for members and supporters. For instance, many environmental NGOs – such as *Greenpeace*, *Friends of the Earth* and *The Rainforest Alliance*– face some competition for members and donors. It is harder to collect resources and convince potential supporters to donate, if one lacks a monopoly and faces like-minded organizations defending similar views. Also here we need to differentiate between different organization types. The well-delineated membership corpus of business interests enables them to accurately target potential supporters/members and to market their services more easily. NGOs, on the other hand, need to target a broader audience in their competition for membership and supporter contributions, which makes outside lobbying a suitable approach to cope with resource competition. Public visibility increases awareness about the organization and may lead to a positive image among prospective donors. This logic implies that when NGOs face considerable resource competition, they will be strongly inclined to use outside strategies. Especially transnational venues are interesting places for this. For instance, for environmental NGOs it is important that their constituency sees that organizational representatives attended climate conferences and were actively defending their issues of concern. We expect a similar logic for research organizations, although in their case it is not a competition for individual supporters, but rather corporate,

government or party political sponsorship that matters. Establishing a positive image towards sponsors becomes more important when research organizations face competition from other research organizations. In short, we expect increased competition to have little effect on outside strategies by business actors, yet a positive effect on the use of outside strategies by citizen groups and research organizations.

H3: More competition for resources results in more outside lobbying for NGOs and research organizations, but does not result in more outside lobbying for business interests.

Next, strategies are also shaped by the specific issue context (Baumgartner et al. 2009; Mahoney 2007b). One could argue that, irrespective of organizational features, a lobbyist adapts its strategy by accounting for the overall salience of the political issues he faces. We define salience as the degree of public attention or political scrutiny an issue is subject to. The higher the salience, the more attention policymakers will pay to issues and the more they are potentially pressured by other interests, public opinion and electoral consequences. One could argue that this factor is endogenous with our dependent variable, as salience can be the result of outside lobbying. Nonetheless, salience does not necessarily result only or mostly from outside lobbying by interest groups and, importantly, even if it might be the result of outside lobbying, this condition (whereby a group is confronted with the fact that many actors are closely watching how the issue evolves) triggers further outside lobbying. In such a situation the competition for access and attention will be high. As highly salient issues generate more attention, more groups start to believe that these issues are relevant and interest groups may start imitating the strategies adopted by others. Moreover, remaining inactive on a highly salient issue means that constituencies may start asking questions on the passive attitude of the organization (Holyoke 2003). Then, some public appearance becomes a necessary evil in order to react to claims made by opponents and/or to comply with the high demand of journalists for insider information. This leads to our fourth hypothesis:

H4: Lobbyists that work on more salient issues will show a higher propensity to use outside lobbying strategies.

Finally, next to salience, another key factor is the policy position a group adopts with respect to an issue. For those who get support from entrenched powers and/or defend the status quo, outside lobbying strategies may work counterproductive. More public attention is risky as it may lead to conflict expansion and mobilize potential opponents (Schattschneider

1960; Gamson and Wolfsfeld 1993). Organized interests that are aligned to entrenched powers may therefore even avoid or prevent too much public scrutiny for a given issue. Sometimes it is argued that especially the powerful avoid media coverage and act out of the spotlights (Baumgartner et al. 2009; Culpepper 2011). Outside lobbying is then a strategy for change seekers rather than for those who support existing policies. Applying this rationale, transnational advocates who are aligned with their national government may avoid too much public exposure, while those who seek to challenge their government's negotiation positions might be tempted to expand the scope of conflict and by appealing to a broader audience (among other negotiators), these interests seek a strategic advantage. Therefore, in order to understand outside lobbying at international conferences it is of key importance to consider how a transnational lobbyist is positioned vis-à-vis the politicians in power:

H5: Transnational lobbyists who are aligned with politicians in power are less inclined to pursue outside lobbying while those who oppose the national government are more inclined to use outside lobbying.

INSERT TABLE 1 HERE

Research design

To test our hypotheses, we analyze strategies reported by 232 transnational lobbyists in the fields of trade and climate change. The data were collected at three global ministerial conferences in 2011 and 2012: the 2012 Ministerial Conferences of the World Trade Organization in Geneva (MCs hereafter), and the 2011 and 2012 Conferences of the Parties of the United Nations Framework Convention on Climate Change (COPs hereafter) in Durban (South Africa) and Doha (Qatar). These venues were chosen because they are the highest decision-making fora in two key international policy-fields, trade and climate change. Moreover, policies made in these areas affect a wide range of stakeholders, and, subsequently attract many different types of interest groups, we were able to interview both business as well as socially oriented interest groups representatives. At these conferences a small team of 3-4 research assistants randomly asked lobbyists to participate in an interview of 15 to 30 minutes. During the interviews respondents were asked to mention a specific issue they were working on and their lobbying strategies in relation to this issue (Baumgartner et al 2009). In total we interviewed 348 lobbyists at these three conferences; we used 232 interviews and their involvement in 74 issues for this this paper. The remainder of interviews are not used in this paper because these were interviews with global organizations (n=71; data on national

politics and institutions cannot be used as meaningful explanatory factors). Another reason is that the dependent or independent variables could not be measured or that key information was lacking. For instance, several attendees (n=55) indicated that they did not lobby in favor or against a specific issue; rather, they attended the conferences to learn or network with other interest groups. If the interviewee was not able to provide us with key information, we relied on the organizational website or employed public sources to update our dataset.

Interviewing lobbyists at transnational conferences provides some important methodological advantages compared to other types of data collection such as web-surveys or phone interviews. First, it gave us the chance to talk face-to-face to a large set of lobbyists from a wide range of countries (i.e. 59) and in a relative short time span (3 or 10 days). Second, as we interviewed on the spot, namely at the very moment when lobbying took place, response bias due to memory effects or time altered responses could be minimized. Third, the interviewed lobbyists were active on similar issues situated in two policy fields. Our design thus keeps much policy-specific idiosyncrasy under control, which increases the robustness and reliability of our findings.¹ Our dependent variable is the use of in- and outside strategies, which is measured with one key interview question, namely:

‘On this issue [respondents were asked to indicate one issue that they were primarily interested in], could you indicate which percentage of your advocacy efforts were dedicated to in- and outside strategies?’

For instance, a lobbyist could indicate that she focused 75 percent of her efforts on inside lobbying and 25 percent on outside strategies. Because of two reasons most respondents did not face difficulties in answering this question. First, as said, respondents were asked about their activities in the few days up to the interviews which provides that potential memory biases were limited. Second, we made sure the respondents understood what we were aiming for with this question by extensively explaining the meaning of questions as well as providing several examples. Figure 1 shows the distribution of the dependent variable, the amount of outside lobbying as a proportion of their total lobbying activities on the X-axis and the number of groups on the Y-axis.

INSERT FIGURE 1 HERE

¹ For instance, if we would interview 232 lobbyists in their home country (59 in total) on issue-specific strategies at a particular moment in time within this country, it would be much harder to disentangle country-specific effects from issue-specific effects.

As argued, we expect that different organization types rely on varying lobby strategies. We distinguish between specialized business groups, encompassing business associations, NGOs and research organization. Specialized business groups defend the interest of product-level economic sectors while encompassing business groups focus on a broader set of products, sectors or multiple sectors. To differentiate between these two types we coded all organizations according to the International Standard Industrial Classification of All Economic Activities (ISIC). More precisely, organizations representing issue areas that correspond with ISIC level 3 or 4, for instance the ‘sugar’ industry, were coded as specialized business organizations. Organizations coded at the ISIC 1 or 2 level, such as ‘agriculture’, were categorized as encompassing business associations. The latter category also includes cross-sectoral business associations. Third, NGOs were coded by considering the areas (e.g. human rights) they are active in and the specific goals they pursued (e.g. poverty reduction). Finally, the research organizations are primarily funded by governments and portray themselves predominantly as creators or disseminators of expert knowledge. In total we have 35 specialized business organizations, 23 encompassing business organizations, 127 NGOs, and 47 research organizations.

For hypothesis 2, resource endowment, we use the amount of staff the lobbyist’s organization employs for advocacy and public affairs purposes. Due to its skewed nature, we log-transform this variable. To test hypothesis 3, we asked respondents to indicate how much (in percentage) members, government subsidies, and commercial services to clients contribute to the overall budget of the organization. In addition, we asked whether they faced strong (1), medium (2) or weak competition (3) to retrieve each of these types of resources. For instance, respondents could indicate that their organization retrieved 50 percent of the budget from membership fees for which they faced strong competition (1), 40 percent from government subsidies facing medium competition (2), and 10 percent from commercial services facing weak competition (3). For developing a comparable scale, we calculated for each organization the weighted average competition through the following formula: $\sum(\% \text{membership-fees} \times \text{competition}) + (\% \text{subsidies} \times \text{competition}) + (\% \text{sales} \times \text{competition})$. This results in a scale ranging from minimum 1 (lowest level of competition) and maximum 3 (highest level of competition). To test hypothesis 4 we measure salience of the issue actors were lobbying on in by asking respondents to indicate whether the issue gained (1) strong, (2) medium or (3) weak attention in the media. Finally, for hypothesis 5 we asked participants to indicate on scale of 1 (completely agree) to 5 (completely disagree) the extent to which they agree with how their government handled the issue they were lobbying on. To test the conditional effects

(hypotheses 2 and 3) we add an interaction effect between group type and resources, and between group type and competition.

Our models contain three control variables. First, the size of a country (log of the population size, World Bank Statistics 2012). We anticipate that outside lobbying is a more prominent strategy in large countries because the larger the size of the potential constituency, the more interest groups may need media strategies to reach out to their constituency. Second, we control for the level of democracy with the Polity IV index in the year prior to the MCs and COPs. This indicator ranges from -10 to 10 whereby a high score refers to a full-democracy and a low score to an authoritarian regime. We expect outside lobbying to be more prevalent in more democratic countries given the important of public arenas for the mobilization of voters. Finally, as we did interviews at two types of transnational conferences, one MC and two COPs, we control for possible differences between the conferences.

INSERT TABLE 2 HERE

Empirical analysis

For our multivariate analyses we use as the dependent variable the proportion to which lobbyists use inside or outside strategies. To handle this data properly, we take account of the bounded nature of the response variable by using a fractional logit model with the proportion in the (0,1) interval as a dependent variable (Papke & Wooldridge 1996). One additional complication is that we have repeated measures for several (but not all) countries and/or policy issues because we interviewed multiple lobbyists from one country or in relation to the same issue. This implies that we cannot assume entirely independent residuals and need to anticipate some clustering in the data. Issue clustering is even less common. We have identified 48 issues with one respondent and only 10 issues with more than 5 respondents (out of 74 issues). Nevertheless, in order to avoid too optimistic estimates, we use clustered standard errors (clustered on the level of 59 countries) with a correction term based on the observed raw residuals.

INSERT TABLE 3 HERE

For testing hypotheses 1 we use specialized business organizations as the reference category because we expect these types of organizations to rely the least on outside lobbying. Table 2 present the results. Controlled for resources, competition and context variables, we

find substantial differences between all group types and in the expected order (outside lobbying of specialized business (with a predicted value $\hat{y}=0.15$) < encompassing business ($\hat{y}=0.32$) < research organization ($\hat{y}=0.38$) < NGOs ($\hat{y}=0.48$). The difference between the group's use of in- and outside strategies is highly consistent with research on other political systems (Binderkrantz 2005; Dür & Mateo 2013; Kollman 1998).

Yet, although these findings leads us to confirm Hypothesis 1, the two interaction effects (H2 and H3) we envisage, make that an eventual effect of group type needs to be evaluated as being conditional on either resources or the level of competition an organization faces. In model I, without interaction terms, we observed no main effect of resources, but a negative effect of competition which seems to confirm that lower levels of competition entail a higher level of outside lobbying. Yet, the result is difficult to interpret given the fact that we hypothesized an interaction effect with organization type (Brambor et al. 2006). The result of resources is not entirely surprising as we hypothesized that the possible impact of resources will mainly occur through a moderation with group type. More precisely, we expect that being resourceful affects the use of inside lobbying positively for business actors, while resources will have a positive effect for outside lobbying by citizen groups. Similarly, we expect that more competition increases the propensity for outside lobbying among NGOs and research organizations, but not for business associations. Model II tests for these interaction effects and mostly confirms these expectations (interaction effect diagnostics: Wald $\chi^2=9.25$; $p=0.026$ for the interaction resources and group type and Wald $\chi^2=11.08$; $p=0.0113$ for the interaction competition and group type). For both interaction effects, we plotted the predicted means in figure 2 and 3 (Y-axis). The different lines show how the effect of resources and competition (X-axis) is moderated by organization type.

First, at very low level of resources (where resources are absent), specialized business groups engage more in inside lobbying than *all* other organization types (H2). It is noteworthy to observe that at low levels of resources, we find significant differences between specialized and encompassing business interests whereby the latter use outside lobbying more (at very low level of resources) or almost as intensively (at moderate levels of resources) as NGOs. So, encompassing business associations with limited resources rely quite strongly on outside lobbying, even more than NGOs with limited resources. It is only where staff is higher than 50 (i.e. Ln is higher than 4), that encompassing interests start to differ substantially from NGOs and research organizations. Nonetheless, overall the differences between business associations and specialized business organizations are not significant and it is in particular, at low levels of resources, that the differences between the four organizational types are

marginal and statistically insignificant. Yet, when resources increase we observe growing differences between business groups, and NGOs and research organizations. Both types of business groups show increased levels of inside lobbying (lower levels of outside lobbying) when they gain more resources and the difference between specialized and encompassing business interests becomes smaller. In fact, the most resourceful business organizations have a predicted value of almost zero, which indicates that they only resort to inside lobbying. In contrast, NGOs and research organizations show no in- or decrease of outside lobbying relative to inside lobbying depending on resources; irrespective of their resources, they use a similar amount of inside- and outside strategies (the predicted values remain slightly above .40 for NGOs, and slightly under .40 for research organizations). In short, these result partially support hypothesis 2, namely that resources have a differential impact depending on group type. Yet, in contrast to Dür and Mateo (2013), we did not find significant support for the expectation that NGOs adjust their strategic considerations based on their resource endowment.

INSERT FIGURE 2 HERE

Second, we expected that the level of competition organizations face would affect mostly citizen groups and research organizations, but much less business interests (H3). Our results mostly confirm this and show that different types of interest groups react differently when confronted with resource competition. At the lowest level of resource competition (right side of X-axis, Figure 3), we do not find a significant difference in outside lobbying between the four organization types. Yet, the extent of outside lobbying increases substantially for NGOs and research organizations if they face stronger competition. NGOs that encounter much competition have a predicted value of almost .70, whereas NGOs that face less competition have a predicted value of .35. We observe a similar trend for research organizations. The predicted use of outside strategies increase from .30 in limited competitive environments to .50 in a highly competitive context. For business groups we see the opposite, namely the predicted use of inside strategies increases (and outside strategies decreases) in more competitive environments.

INSERT FIGURE 3 HERE

Third, regarding salience we expected a positive effect on the use of outside strategies, irrespective of organizational types (H4). The analysis, however, does not confirm this hypothesis, which means that in- or decreased salience does not affect how an individual transnational advocate uses outside strategies *relative* to inside strategies. However, we should be careful with this result and not infer from this that salience has no impact on lobbying strategies. First, as our interviews focus on issues where organized interests indicated some interests, it is plausible that our observations are somewhat truncated to more salient issues. Second, elsewhere we demonstrate that salience of an issue area has a considerable positive impact on *the number* of organizations that lobby in relation to salient transnational policy issues (AUTHOR). Third, we measure the use of outside strategies relative to inside strategies, which is not an absolute measure of *all* the lobby-efforts. It might be that if salience increases, all lobby expenditures – both inside and outside strategies – are intensified, but that the overall distribution of inside versus outside lobbying remains unaffected.

Finally, we assessed whether or not the alignment of the lobbyists with the national government had an effect on strategies (H5). We expected actors who opposed their government to be more likely to use outside strategies, whereas a closer alignment should be associated with an extensive use of inside lobbying. The results strongly support this expectation. All tested models show a positive, substantial and statistically significant effect of alignment on the extent to which lobbyists rely on outside lobbying. An organization that sees itself one point further away from the government (on a 5 point scale) uses, other things being equal, roughly 13 percent more outside strategies (i.e. between 13 and 14 percent). These results lead us to accept hypothesis 5 implying that the alignment or de-alignment of lobbyists with the government on a specific issue is an important predictor for the use of outside and inside strategies.

Conclusion

In this paper we explained variation in the use of in- and outside strategies by transnational lobbyists. Overall, the usage of outside lobbying is puzzling given the fact that the international level lacks a public sphere in which constituents can be mobilized in order to oppose or support ongoing policy processes. Nonetheless, transnational advocacy is mostly known by the critical voices that make the news headlines. This contrasts with the fact that much international negotiations take place behind closed doors and in venues that are difficult to access by societal interests.

Our overall aim was to explain why transnational advocates invest in outsider strategies when aiming to influence international policy outcomes. For this purpose we proposed a model that accounts for both influence seeking *and* maintenance related purposes. Empirically, we analyzed the lobbying strategies of 232 transnational lobbyists at WTO Ministerial Conference and UN Climate Summits. Our results show that, from an influence seeking perspective, interest groups aim to develop strategies that are geared to optimize their impact on policymaking outcomes. For instance, if a lobbyist gains support from her national government, she will refrain from using outside strategies. Generally, NGOs rely more on outside lobbying compared to business actors which, especially those with much resources, rely more on inside lobbying.

Importantly, our results demonstrate that the extent to which outside lobbying is used cannot be explained by influence seeking motives alone. Key is that the resource basis and the competitive context in which groups operate have a substantial impact on how lobbying strategies unfold. Or, organized interests take into account problems of organizational maintenance when developing their lobbying strategies. For instance, we observed a clear connection between the use of outside strategies and the level of competition NGOs and research organizations face in their immediate environment. This means that lobbying efforts are not just a matter of group types, but that they are significantly affected by contextual factors that concern the resource dependencies organized interests face.

These results have important implications for some more general issues in the political science literature. First, our findings add to the interest group politics literature the notion that lobbying cannot be interpreted properly without taking into consideration the competition for organizational resources organized interests face (e.g. Binderkrantz 2005; Hojnacki 1997; Holyoke 2003; Kollman 1998). Or, lobbying practices do not only serve influence seeking goals (Lowery 2007). As a result, we probably need to reconsider the effectiveness of lobbying, especially outside lobbying, as we might often be tempted to evaluate the effectiveness of lobbying strategies on this basis of flawed criteria (influence goals instead of organizational maintenance goals). Second, our results speak to a range of studies that aim to explain transnational advocacy through an implicit resource dependency perspective (Bob 2001, 2005; Cooley and Ron 2002; Ron et al. 2005). While some of these studies demonstrated how the policy issues advocates select for lobbying purposes affect the propensity to acquire financial resources. We add to this that resource dependencies also severely affect the *type* of lobbying strategies transnational advocates will employ.

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Table 1 – Summary of expected effect on outside lobbying

Variables		B-Specialized	B-Encompassing	NGO	Research
H1	Group type	-- Very Low	- Low	++ Very high	+ High
H2	Resources	-	-	+	No effect hypothesized
H3	Competition	No effect hypothesized	No effect hypothesized	+	+
H4	Saliency	+	+	+	+
H5	Alignment	-	-	-	-

Figure 1 – Varying levels of insider versus outside lobbying at COPs and MCs.

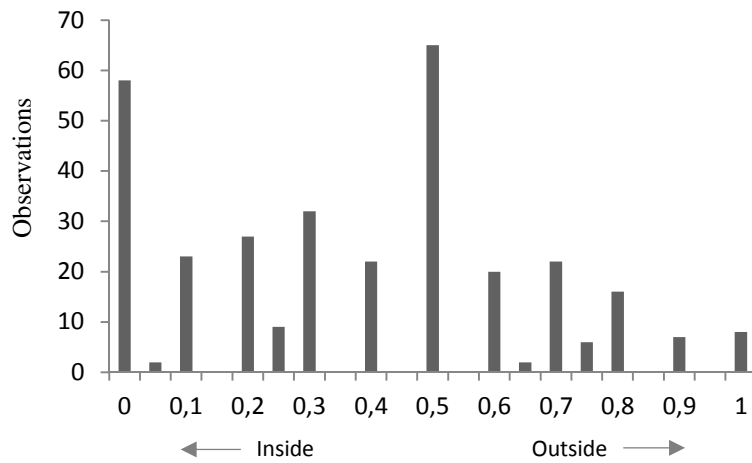


Table 2 – Overview of dependent, independent, and control variables

Variable	Explanation	Source	Mean	Stand. Dev.	Min	Max
Strategy index	Percentage outside lobbying of total lobby activity/100	Survey data	0.39	0.28	0	1
Group Type	Business specialized; Business associations; NGOs; Research organizations.	Survey data and website coding	2.80	.93	1	4
Resources	Staff size working on advocacy - logged.	Survey data	2.30	1.43	0	6.90
Competition	Competition for resources (1-3).	Survey data	1.15	0.82	0	2.25
Saliency	Saliency of an issue (high-medium-low).	Survey data	2.32	0.78	1	3
Alignment	Level of agreement with government (1-5).	Survey data	3.04	1.20	1	5
Population	Number of citizens in country – logged.	World Bank	4.15	1.60	0.56	7.20
Democracy	Level of democracy: -10 to 10.	POLITY IV	6.85	5.14	-10	10
MC_COP	MC or COP conference.	Location of survey	0.85	0.35	0	1

Table 3 – Explaining in and outside lobbying (fractional logit regression)

	Model I		Model II	
Intercept	-0.574***	(0.509)	0.916*	(0.511)
Independent				
Group type				
<i>Business specialized (ref.)</i>	ref.		ref.	
<i>Business association</i>	-0.986***	(0.361)	1.407	(0.919)
<i>NGO</i>	0.666**	(0.290)	-0.036	(0.955)
<i>Research</i>	0.225	(0.269)	-0.510	(0.480)
Resources	-0.098	(0.060)	-0.259	(0.270)
Competition	-0.256**	(0.101)	-0.433	(0.197)
Saliency				
<i>High (ref.)</i>	ref.		ref.	
<i>Medium</i>	-0.112	(0.206)	-0.045	(0.202)
<i>Low</i>	0.122	(0.194)	-0.078	(0.179)
Alignment	0.126**	(0.060)	0.107*	(0.057)
Interactions-effects				
Group type*resources				
<i>Business specialized (ref.)</i>			ref.	
<i>Business association*resources</i>			-0.354	(0.278)
<i>NGO*resources</i>			0.225*	(0.351)
<i>Research*resources</i>			0.268	(0.266)
Group type*competition				
<i>Business specialized (ref.)</i>			ref.	
<i>Business association*competition</i>			0.266	(0.493)
<i>NGO*competition</i>			0.865***	(0.354)
<i>Research*competition</i>			0.764**	(0.382)
Control				
Population-logged	0.138***	(0.038)	0.142	(.038)
Democracy	-0.004	(0.014)	-0.009	(0.014)
MC_COP	-0.449*	(0.254)	-0.395	(0.272)
Diagnostics				
Log Likelihood	-108.242		-105.767	
df	11		17	
AIC	1.036		1.066	
BIC	-1123.29		-1095.55	
N	232		232	

Note: Clustered standard errors in parentheses.
Significance levels: *p < 0.1; ** p < 0.05; *** p < 0.01.

Figure 2. Interaction effect resources and organization type and the expected share of outside lobbying in the overall lobbying strategies

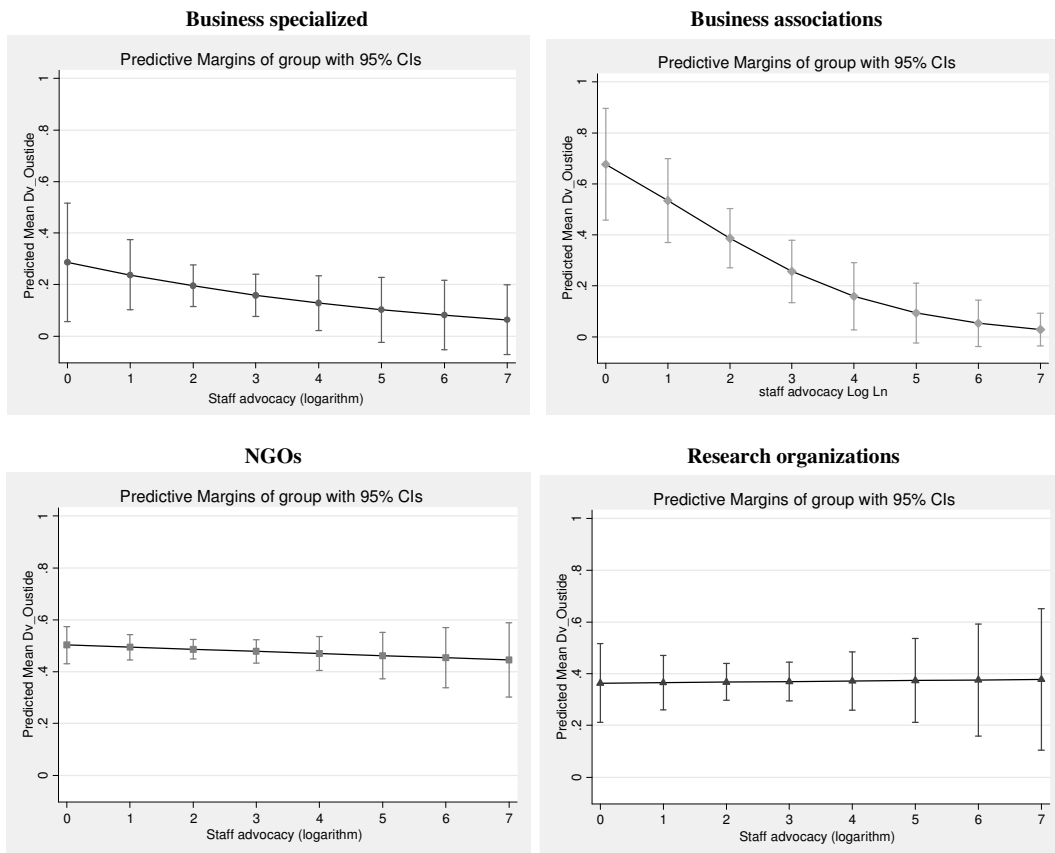


Figure 3. Interaction effect competition, organization type and the expected share of outside lobbying in the overall lobbying strategies

