

# Lobbying/Advocacy in the US and the EU

October 22, 2014  
at World Bank

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# Constitutional & Political Factors Influencing US Lobbying/Advocacy

- Separation of Powers & Elections/Campaign Finance
- Bicameralism
- Federalism
- First Amendment Rights/Advocacy
- Pluralism

# Who is a lobbyist in the U.S.?

# Who is a lobbyist?

LDA Legal Definition in the US

**Two Contacts** (Congress, staff and Executive Branch Executives)

**20 % of time** on “lobbyist activities”  
(contacts and efforts in support of those contacts)

Paid by Client

**\$5,000 income per lobbyist or \$20,000 for organization**(semi annually)(now indexed)

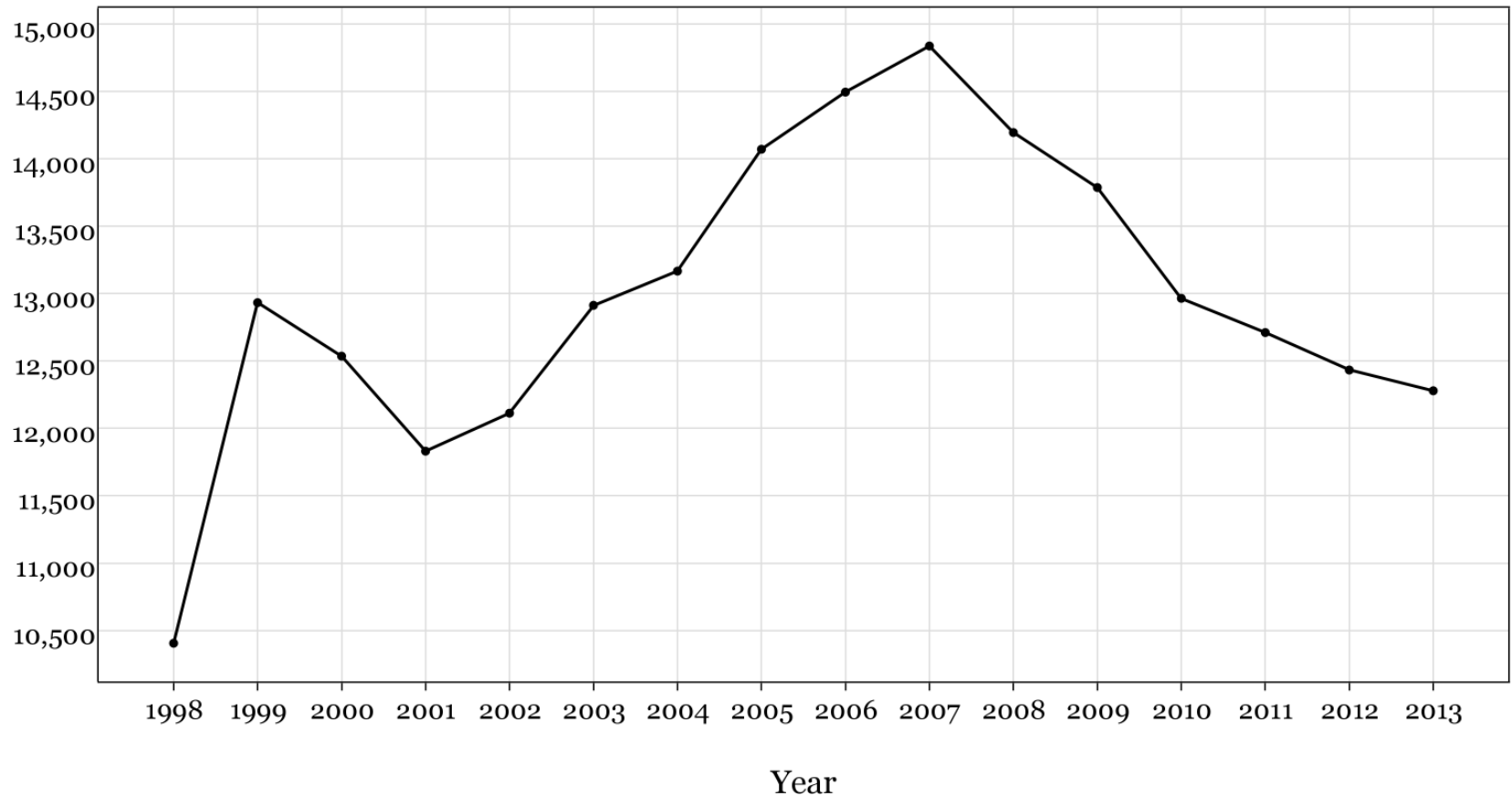
# Number of Registered Lobbyists\*

\*The number of unique, registered lobbyists who have actively lobbied.

■ 1998	10,406	■ 2006	14,495
■ 1999	12,933	■ 2007	14,837
■ 2000	12,536	■ 2008	14,195
■ 2001	11,831	■ 2009	13,787
■ 2002	12,113	■ 2010	12,965
■ 2003	12,913	■ 2011	12,711
■ 2004	13,167	■ 2012	12,433
■ 2005	14,071	■ 2013	12,279

# Where Are the Lobbyists?

Number of Registered Lobbyists, 1998-2013



Source: Center for Responsive Politics (2014)

# Size of Lobbying Expenditures

## Tip of the Iceberg?

Source: Clerk of the House and Secretary of the Senate, 1998-2013

■ 1998	\$1.45 b.	■ 2006	\$2.65 b.
■ 1999	\$1.45 b.	■ 2007	\$2.88 b.
■ 2000	\$1.57 b.	■ 2008	\$3.30 b.
■ 2001	\$1.64 b.	■ 2009	\$3.50 b.
■ 2002	\$1.83 b.	■ 2010	\$3.55 b.
■ 2003	\$2.06 b.	■ 2011	\$3.33 b.
■ 2004	\$2.20 b.	■ 2012	\$3.31 b.
■ 2005	\$2.44 b.	■ 2013	\$3.21 b.

**Lobbyist vs. Advocate?**

**“Undercover lobbyists”?**



# Growth in the Number of Advocates (2012)

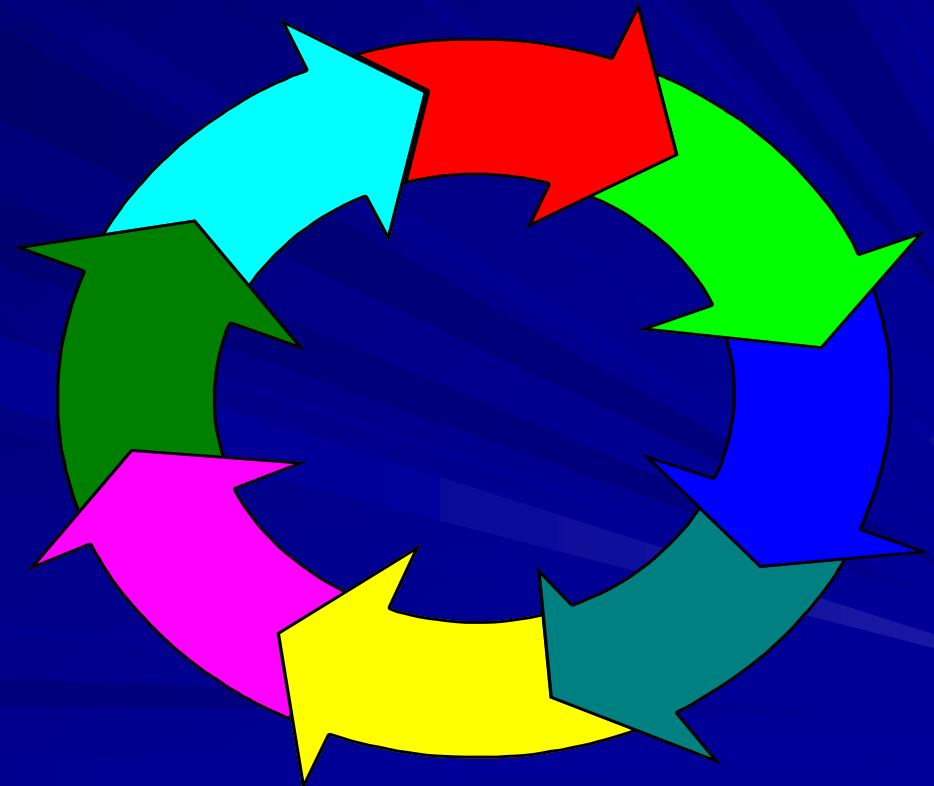
- **Narrow Definition: 40, 281** (number of people in the Government Affairs Directory doing advocacy)
- **Broad Definition: 87,058** (total number of employees listed in Government Affairs Directory including support staff)
- **Estimated number of people in the lobbying industry in Washington, DC area: 100,000 +**
- **Number of Groups in the U.S.: Over 1 million**
- **Who should be called a lobbyist?**

# Lobbying Tactics

- Fit Lobbying Tactics to Strategy/Target
- Tactics: grassroots, Astroturf, top roots, coalition building , issue advertising/television/print ads, Internet/websites, opinion shaping/ survey research, think tanks, election campaign activity, direct face to face lobbying
- Manage and Coordinate Budget and Timeline and Tactics
- Permanent Lobbying Campaign

# Advocacy and Policy Networks in the US

- Administrative Agencies
- White House Offices/EOP
- Appropriations Subcommittees
- Authorization Subcommittees
- Specialized Media
- Interest Groups and PACs
- State and Local Governments
- Tax Committees
- Think Tanks



# Conclusions about Advocacy and US Politics

- Centrist solutions are being criticized by leaders in both parties/Polarization
- If one party is for it another party is against
- Central problem: getting votes for long term solutions at short term political risk
- Easier to Stop Policy than to Pass It
- Problem of “Undercover”  
Lobbyists/”Strategic Advisors”
- Level Playing Field/Public Interest?

# Some Causes of U.S. Lobbying & Ethics Reform

# Causes of U.S. Reform?

## Scandal/Conflict of Interest/Corruption

- Jack Abramoff: 2004-2006: fraud, tax evasion, conspiracy to bribe public officials (5 yrs., 10 months)
- Conviction of Chairman Rep. Bob Ney
- Conviction of Duke Cunningham: bribes for earmarks
- Conviction/Overtured of Rep. Tom Delay-illegal corporate contributions for campaigns in Texas
- Indictments of members, staff and federal employees

# Causes of U.S. Reform?

- Increase in Campaign Spending (2008 -\$5 b+; 2012 \$6 b+)
- Campaign Finance & Lobbying:  
Bundling/Earmarks
- Proximity of Votes and Campaign Contributions
- Size of Lobbying expenditures
- Negative Public Attitudes about Lobbyists (2006 & 2008 Elections)
- Promise of Post Hill Lobbying Jobs---K Street Project
- Gifts and Travel
- Anger with Congress
- "Political Intelligence" and Insider Trading

# Continuing Problems: Enforcement and Transparency

- Congressional Revolving Door Loopholes
- Non-Registered Lobbyists
- Definition of Lobbyist under LDA
- **Weak Enforcement** of Law and Ethics
- Lack of Transparency and Poor Records
- FARA Loophole
- Weak House and Senate Ethics Committees
- Super PAC Money in Elections and Issue Campaigns
- Leadership PACs
- Travel and Gift Loopholes



# 2012 Lobbying Expenditures

## \$3.3 billion

- \$6.16 million per member per year
- \$275 million per month
- \$63.46 million per week
- \$ 9.04 million per day
- \$376,712 per hour
- \$6,278 per minute
- \$104.64 per second

# Massive Increase in Campaign Expenditures

Source: FEC, 1998-2012

All dollars spent by presidential candidates, on conventions, Senate and House candidates, political parties and independent interest groups

■ 1998	\$1.62 b.	■ 2006	\$2.85 b.
■ 2000	\$3.08 b.	■ 2008	\$5.29 b.
■ 2002	\$2.18 b.	■ 2010	\$3.64 b.
■ 2004	\$4.17 b.	■ 2012	\$6.29 b.
		■ 2014	\$6+ b.?

# Obama on Lobbying Reform

“I intend to tell corporate lobbyists that their days of setting the agenda for Washington are over, that they have not funded my campaigns, and from the first day as president I will launch the most sweeping ethics reform in U.S. history.”

# Purposes of US 1995 LDA: Transparency

- Reduce corruption
- Inform lawmakers of the interests attempting to influence them
- Increase public confidence in government
- “To tell the public who is being paid how much to lobby whom on what”
- **HLOGA 2007** – Added *ethics rules* for lobbyists

# **Problems of Money, Conflict of Interest, Transparency and Enforcement**

# Recent Streams of Reforms/Change

- **Honest Leadership and Open Government Act of 2007(lobbying ethics, and campaign /finance reform)**
- **Campaign Finance Reform/Citizens United**
- **Redistricting Reform (CA-2010)**
- **Presidential/Executive Branch Lobbying Reform**

# President Obama's Reforms

- Revolving Door Restrictions (Into and Out of government)
- Restricts Gifts to Executive Branch Officials
- Lobbying TARP & American Recovery and Reinvestment Act (Stimulus) Restrictions
- Restrictions on Serving on Commissions and Advisory Councils
- More Transparency

# EU and OECD Lobbying Reforms

Center for Congressional and  
Presidential Studies  
[www.american.edu/ccps](http://www.american.edu/ccps)

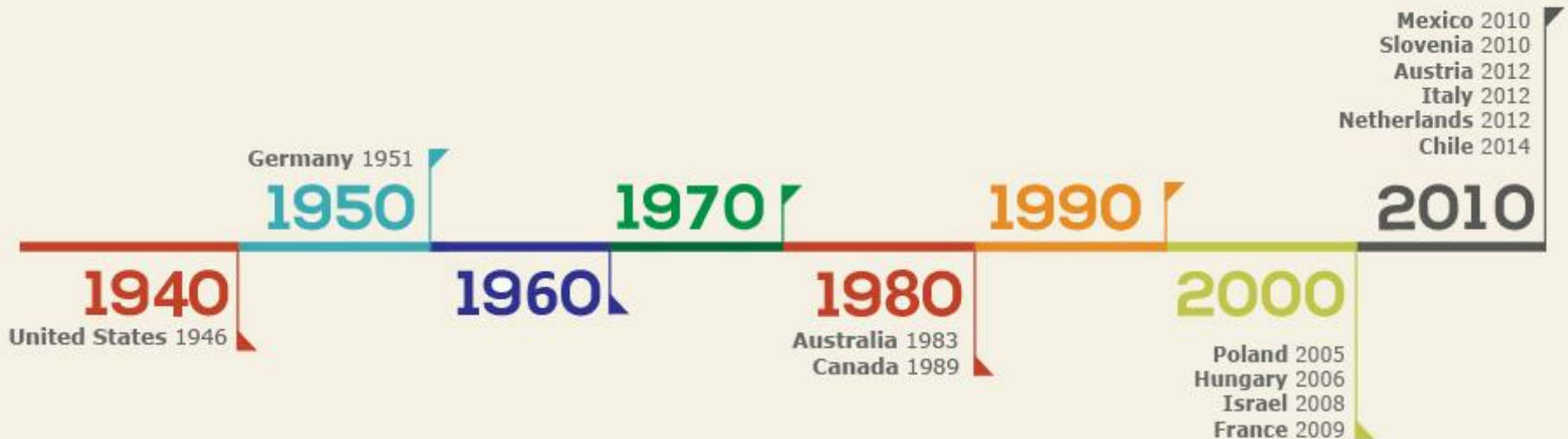




# Regulation of lobbying is accelerating

Since 1946, 14 countries have regulated lobbying- 7 in the past 5 years

## Lobbying timeline



# Lobbying Regulatory Regimes in Europe

- Germany – 1951
- European Parliament – 1996
- Georgia – 1998
- Lithuania – 2001
- Hungary – 2006 (repealed in 2011)
- Macedonia – 2008 (never implemented)
- European Commission –  
Transparency Initiative 2008

# Joint Parliament-Commission Transparency Registry

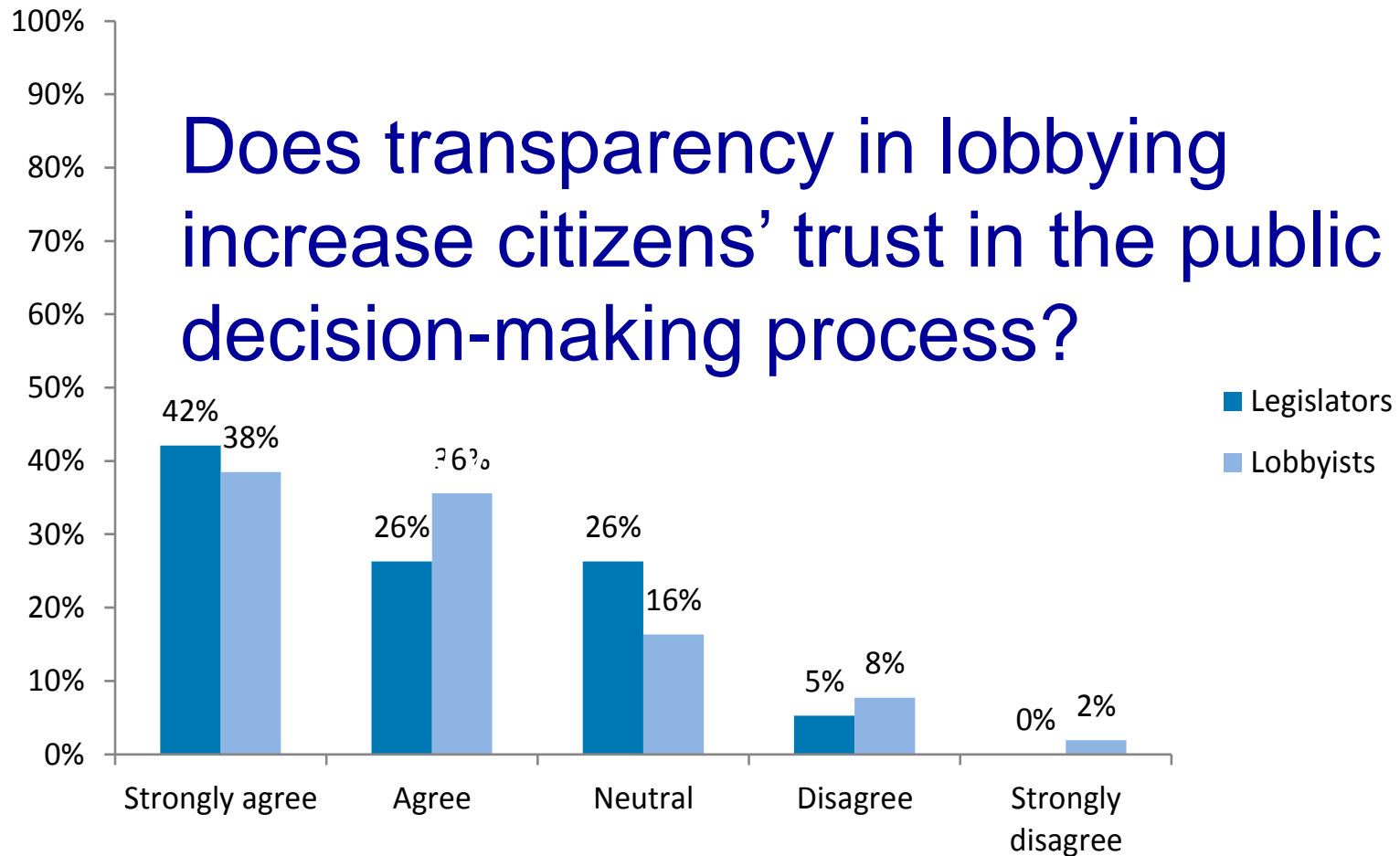
- New Focus: Transparency
  - Still Structured According to Early Regimes:
    1. Voluntary, but Incentives to Register Are Quite Strong
    2. “Hall Pass” System
    3. Limited Financial Disclosures
  - Good On-Line Disclosure
- <http://europa.eu/transparency-register/>

# Strong Transparency Lobby Laws Gaining Ground in Europe

- **Joint Parliament-Commission Registry** (debating moving to a mandatory system in 2016)
- **Slovenia** – Mandatory registration
  - Financial disclosure
  - Data are publicly available
- **Austria** – Mandatory registration
  - Financial disclosure
  - Lobbying contacts
  - Internet access

# Transparency drives lobbying reforms

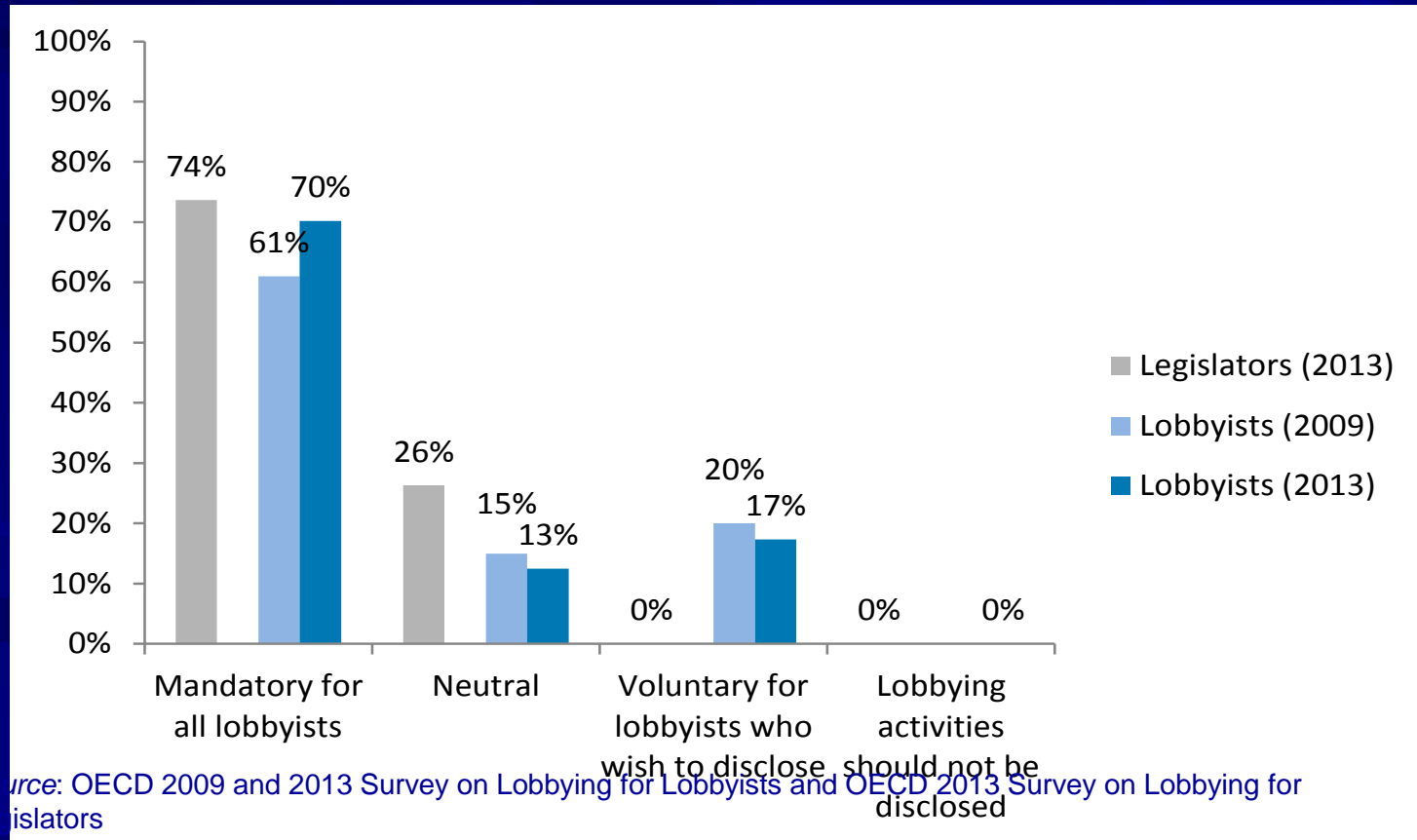
Does transparency in lobbying increase citizens' trust in the public decision-making process?



Source: OECD 2013 Survey on Lobbying for Lobbyists and OECD 2013 Survey on Lobbying for Legislators

# Legislators and lobbyists are more open to a mandatory system - compliance

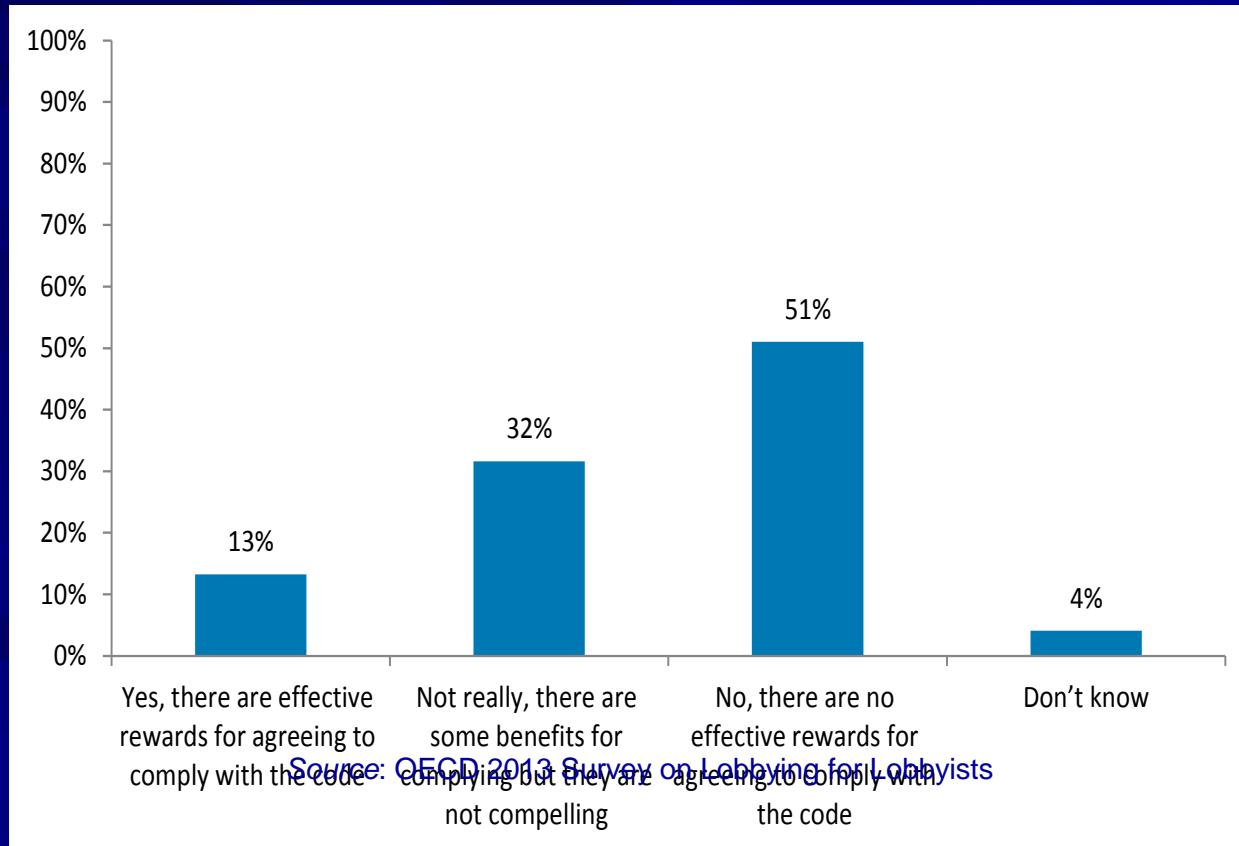
Stakeholders believe that transparency of lobbying activities should be mandatory for all lobbyists



Source: OECD 2009 and 2013 Survey on Lobbying for Lobbyists and OECD 2013 Survey on Lobbying for Legislators

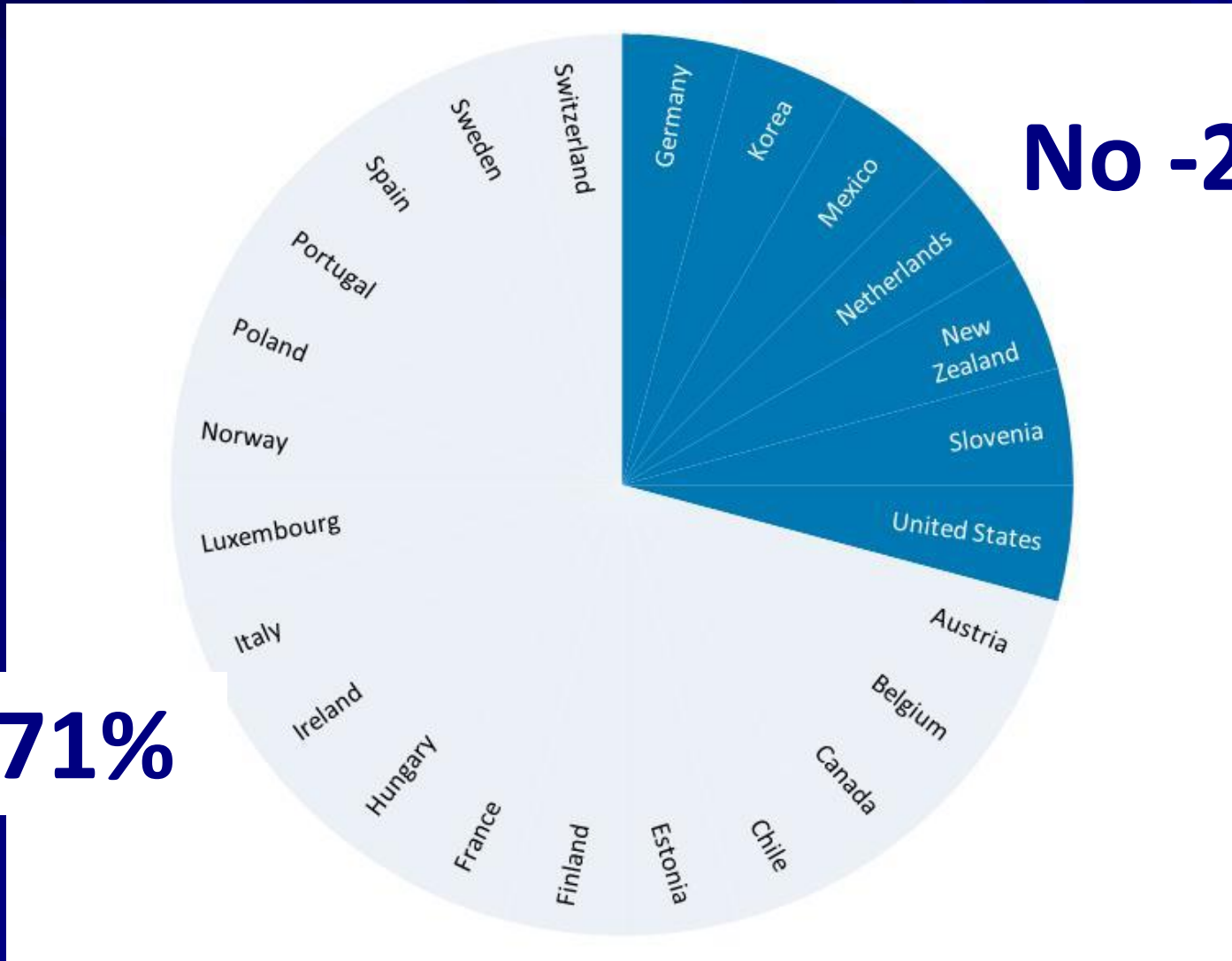
# What measures are considered effective? Incentives for compliance

There are generally no effective rewards for agreeing to comply with lobbyist codes of conduct



# Closing the revolving door remains a challenge

Can a former lobbyist be hired as a government regulator or advisor?

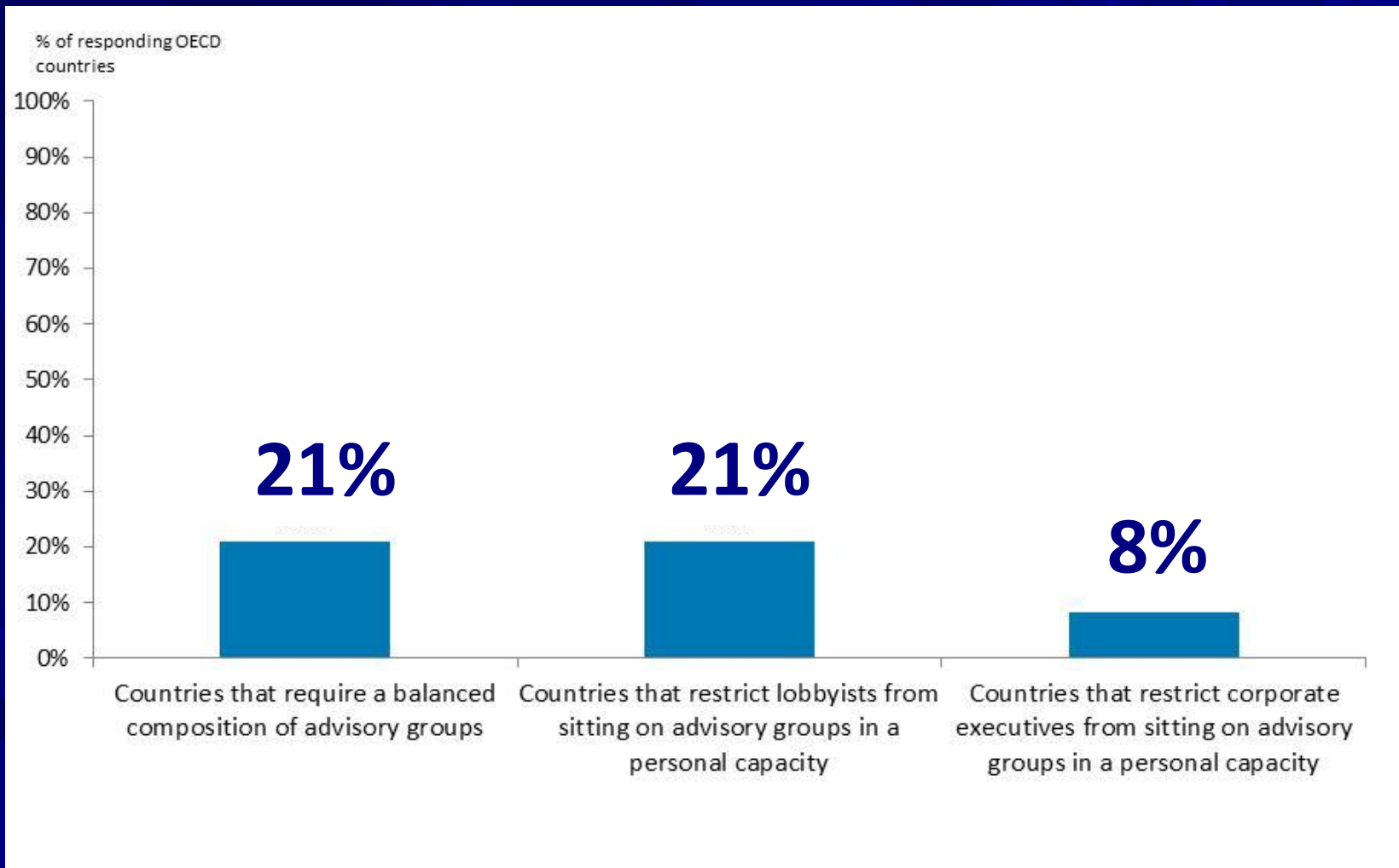


**Yes - 71%**

**No - 29%**



# The reform journey is far from over: Few countries restrict insider lobbying



Source: OECD 2013 Survey on Lobbying Rules and Guidelines

# Questions and Comments about Lobbying/Advocacy in the US and the EU

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