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Corporate Political Strategies in Europe: The determinants of firms' access to the European Commission

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#### Abstract:

Corporate political strategies have extensively been used by firms trying to shape their political environment. Despite comprehensive research conducted in some environments such as in the US, few studies have focused on an empirical analysis of this phenomenon in Europe. This paper builds on the integration of new institutional economics and resource-based view (RBV) of firms to analyze which factors increase firms' degree of access to the European Commission. The analysis is performed on a unique dataset to assess the dynamics of access to the European Commission representatives. The results suggest the importance of political knowledge, underlining that it could represent a source of sustainable competitive advantage. This study brings useful information to enlarge knowledge on corporate political strategies in the European Union.

**Keywords:** Corporate Political Strategies, Political Knowledge, Lobbying, European Commission, Negative Binomial Regression

#### **1** Introduction

Corporate political strategies have enormous potential delivering benefits to firms deploying them. Increase in regulated prices, favorable ruling or tax exemption are among the advantages they can pursue through them<sup>1</sup>. Such strategies include all initiatives addressed to political institutions attempting to align their business environment to their preferences. In this context, lobbying is a frequently employed strategy. Taking the definition used by Baron (2013), lobbying is the strategic supply of politically relevant information to government representatives.

According to Baron (1999), companies also compete in the political arena. Thus, for those deciding to participate in the political process, it includes competing for more space and better access to the politicians. The access to targeted officeholders is the primary condition to perform lobbying strategies. Consequently, a broad comprehension of lobbying dynamics must consider the determinants of access. Even if access does not mean influence, the former is a requirement to try to exert the latter<sup>2</sup>.

In this context, the European Union appears as a relevant environment to study these dynamics. Its supranational characteristics bring additional constraints to the policymaking process. Considering its 28 countries, the EU is the largest economy in the world. The European Commission, which can be considered the executive body of the EU, issues hundreds of legal acts among directives, regulations, and decisions every year. Undoubtedly, many of them have to some extent impact on business interests. Not surprisingly, many business representatives are active in the EU political arena to deploy their corporate political strategies.

A brief look at some figures can illustrate it: there are more than 2300 business and trade associations registered for interest representation in the European Commission and more than 500 firms having offices in Brussels<sup>3</sup>. Moreover, recent data on meetings between Commission representatives and interest groups indicates an uneven pattern of access among companies: while few of them had regularly accessed the commission representatives, the majority had very few meetings with the Commission<sup>4</sup>.

The presented facts reinforce the idea of competition in the political arena. Also, previous research suggests that access to the political representatives can reduce uncertainty due to political issues, and that companies benefiting from this

<sup>&</sup>lt;sup>1</sup>Bonardi, Holburn, and Vanden Bergh (2006); Holburn and Vanden Bergh (2014).

<sup>&</sup>lt;sup>2</sup> Kluver (2013).

<sup>&</sup>lt;sup>3</sup> Data from Transparency Register database in December 2016. More details on Empirical Approach section.

<sup>&</sup>lt;sup>4</sup> From author's database, more details on Empirical Approach section.

access may be able to influence the regulatory process<sup>5</sup>. In this scenario, the following question arises: what are the determinants of firms' access to the European Commission?

Despite being a rich scenario for corporate political strategies research, scholars did not exhaustively study the European Union institutional environment. The main existing research focuses on understanding the lobbying characteristics in the EU<sup>6</sup>, the determinants of lobbying success<sup>7</sup>, and the logic of access between different types of institutions<sup>8</sup>. However, as far as we research, firms' access to make direct corporate lobbying in Europe was not yet explored. More research is still missing to understand, from the firm perspective, the factors that may justify why some firms have more access to the European Commission.

Previous research that investigated the determinants of access<sup>9</sup> to politicians in the US points towards campaign contributions as a significant factor. In the EU, financing of the electoral campaigns is not allowed, so it naturally raises differences between the dynamics of these political arenas. These differences represent an additional motivation for this research.

The purpose of this study is to perform an empirical analysis of the determinants of access to the European Commission. We build the discussion on the integration of two theoretical perspectives - the new institutional economics and the resource-based view (RBV) of the firm. The former is used to analyze the specificities of the EU political arena and how it impacts the development of corporate political strategies. The latter is mainly discussed through the political knowledge framework developed by Bonardi and Vanden Bergh (2015). The empirical approach relies on data about meetings between representatives of the commission and interest groups, merged with information about firms. For the quantitative analysis, we use count data regression, more specifically negative binomial regression, to analyze the factors that impact access to lobbying in the European Commission.

Notably, this paper intends to enlarge empirical research in corporate political strategies taking into consideration some researchers' arguments that there is still a gap of empirical research principally outside the US<sup>10</sup>. We present an empirical analysis of the determinants of firms' access to the European Commission, a political arena not driven by financing of political campaigns, highlighting the importance of RBV theory to understand its dynamics.

<sup>&</sup>lt;sup>5</sup>Hillman, Zardkoohi, and Bierman (1999).

<sup>&</sup>lt;sup>6</sup> Coen (1998); Coen and Richardson (2009).

<sup>&</sup>lt;sup>7</sup> Kluver (2011; Hermansson (2016).

<sup>&</sup>lt;sup>8</sup> Bouwen (2002); Eising (2007).

<sup>&</sup>lt;sup>9</sup> Schuler, Rehbien, and Cramer (2002); Schuler and Rehbein (2011).

<sup>&</sup>lt;sup>10</sup> de Figueiredo (2009).

The results suggest that political knowledge accumulation can increase the degree of access to the European Commission. The paper proceeds as follows: at first, we review some relevant concepts of corporate political strategies to understand the dynamics of lobbying in the European Commission. Then, we discuss the main characteristics of this political arena, and we review the related research. After that, we present the theoretical basis of the concept "political strategies in the European Commission. In the sequence, we explain the empirical approach: the construction of the dataset, the variables and the analysis using negative binomial regression. Finally, we present the results, and we conclude with a discussion of the main findings of this research.

#### **2** Corporate Political Strategies

The current literature has demonstrated how companies can benefit from the deployment of corporate political strategies. Some of the advantages are the increase of regulated prices<sup>11</sup>, favorable decisions on merger and acquisition process<sup>12</sup>, better financial performance for companies operating in regulated sectors<sup>13</sup>, and public grants<sup>14</sup>. Because of its potential to leverage companies' performance, many research concentrated on deepening the knowledge about corporate political strategies either by trying to understand how such strategies are organized or by studying its dynamics and the tactics used.

Hillman and Hitt (1999) propose to categorize corporate political strategies in three levels of decisions. The first refers to the approach firms will choose for their strategy. It can be either relational when firms are proactive in the political arena, or transactional when they decide to have a defensive strategy when issues arise. Secondly, firms decide if they will participate individually or collectively. Finally, there is the choice of strategies to pursue: financial incentives, information, and constituency-building strategies.

Some research investigated how firms will approach the political arena. For example, de Figueiredo and Tiller (2001) analyzed the choice between individual or collective lobbying. Their findings suggest the nature of the information requested to collective action is determinant for the decision. It means that firms will privilege an individual approach when the sharing of strategic information is at stake. Nevertheless, firms can opt for both group and individual initiatives if they can obtain unique benefits beyond the common ones that justify collective action. In another research, de Figueiredo and Kim (2004) concluded

<sup>&</sup>lt;sup>11</sup> de Figueiredo and Edwards (2007); Bonardi, Holburn, and Vanden Bergh (2006).

<sup>&</sup>lt;sup>12</sup> Holburn and Vanden Bergh (2014).

<sup>&</sup>lt;sup>13</sup> Hadani and Schuler (2013).

<sup>&</sup>lt;sup>14</sup> de Figueiredo and Silverman (2006).

that the decision of internalizing or externalizing lobbying function is considered a make or buy decision that is influenced by opportunism risk related to leakage of information. Thus, in issues which depend on sensitive information, firms used internal staff to lobby. Otherwise, firms tend to use outside lobbyists when information required was not delicate. We note that information possessed by firms is a valuable asset that guides the strategic choices in the political arena.

In practice, the deployment of mentioned strategies will also depend on the way institutions are organized and governance is developed within them. As a result, companies will deal with different challenges according to where they operate. It means that the rules and the play of the game which characterize the institutional environment can impose constraints on organizations<sup>15</sup>. It has a direct effect on the political arena and the choice of political strategies which firms can pursue. Some researchers studied the impact of the institutional environment in the deployment of corporate political strategies. For instance, Bonardi, Holburn, and Vanden Bergh (2006) suggest that political environment characteristics impact nonmarket performance. Hillman (2003) also concluded that the institutional context contributes to the choice of corporate political strategies and Schuler and Rehbein (2011) demonstrated that the nature of political institutions would impact on the selections of different interest groups to participate in the policymaking process.

Independently of the strategies chosen, access to political representatives is fundamental to the deployment of corporate political strategies. As highlighted by Hillman, Zardkoohi, and Bierman (1999), firms are competing for access to the political arena because it can lead to advantages. Remarkable research from Ansolabehere, de Figueiredo, and Snyder Jr. (2003) evidences that expenditures on lobbying are much higher than expenditures on campaign contributions. Therefore, they conclude that financial incentives may be used to open the access to lobby politicians.

The implementation of both relational and transactional approaches will depend on the level of access to the political arena. However, few researchers explored the determinants of access and the tactics that can favor its achievement. Schuler (1999) studied a stage earlier to access that is the decision of firms being politically active. He concludes that both organizational structure aspects and financial resources contribute to the decision. Schuler and Rehbein (2011) studied the determinants of access to executive and legislative branches in the US. They posit that participation in the policymaking process depends on the institutional characteristics, but politicians would better welcome firms that use outside lobbyists, make campaign contributions, and firms with significant employment in the local circumscription.

<sup>&</sup>lt;sup>15</sup> North (1990).

The institutional environment appears as a relevant aspect of each stage of the corporate political strategy research. Nevertheless, most of the research privileged the US environment. Therefore, further research should verify the dynamics of different institutional contexts. We propose to explore the EU political arena which main institutional differences from the US are electoral accountability and the policy-making process<sup>16</sup>. That being so, we continue the discussion describing some of the EU characteristics and, more specifically, the ones of the European Commission as well as some relevant research in this institutional setting.

## **3** Political Environment and Corporate Political Strategies in the European Commission

The European Parliament, the European Commission, and the Council are the primary institutions responsible for policy-making in the European Union. The Council comprises the national representatives of a specific policy area, and the European Parliament is the only institutional body formed by elected members. The European Union countries' representatives indicate the members of the European Commission and the European Parliament approve their nomination. The attributions of the European Commission include to initiate policies, to issue rules and regulations, and to monitor policy implementations. It is the principal executive body of the EU with a central role in the policy-making process<sup>17</sup>.

The role of the two other institutions is indeed not negligible in the policymaking because of its most used mechanism, the co-decision. It requires a bicameral approval where policies elaborated by the European Commission are forwarded both to the Council and to the European Parliament. Although the three institutions participate in the policy-making, it is noteworthy the gradual transfer of regulatory functions from member states to the European Commission during the last years. However, after legislation first draft which is designed by the European Commission, it is expected that few changes will occur until the final approval by the other EU institutions<sup>18</sup>. Thus, the European Commission has a central role in this process to develop a supra-national regulation that should harmonize with national regulation.

To fulfill its duties, the European Commission counts with the support of the DGs (Directorates-General) which are the civil service that performs technical activities such as the development of policies and preparation of legislation. The European Commission also relies on the advice of consultative bodies that give specialist recommendations for the policy-making, the "Commission Experts"

<sup>&</sup>lt;sup>16</sup> Mahoney (2008).

<sup>&</sup>lt;sup>17</sup> Hix (2011).

<sup>&</sup>lt;sup>18</sup> Hix (2011).

Groups"<sup>19</sup>. A variety of stakeholders participates in these groups: experts, individuals, NGOs, member state authorities, associations, and firms, representing the formal participation of interest groups in the policy-making process. The selection of the members involves a call for applications by which the commission analyzes their potential to contribute as well as the existence of a conflict of interests.

Coen (1998; 2009) studied the transformation of the European Commission into the central institution for policy-making and, consequently, the principal target for corporate lobbying because part of its regulatory scope includes issues that impact directly business operations. He describes that lobbying in the European Commission exploded on the 1990s, characterized by a trend of individual lobbying and the use of hired lobbyists to bring specialist information and political monitoring. His research suggests that the European Commission political arena is dominated by elite pluralism phenomenon, meaning that many interest groups participate in the political process, some of them with more power than others. As a consequence of the European Commission's necessity of external information, firms were encouraged to expand their political profile to encompass the ability to make alliances and be politically active, both in the European and national level for successful lobbying. Firms that developed this pioneer interest representation activity were active on several political issues, supplying information mainly due to their multinational feature. It enabled them to develop a kind of European credential, which gave some privileged access to this group of companies.

In another research, Coen and Katsaitis (2015) reinforced the idea of keen interest of business actors in the European politics. They evidenced a high percentage of companies and other business-related groups politically active as compared to other kinds of groups. Furthermore, Bernhagen and Mitchell (2009) studied the factors impelling firms to become politically active at the European level. Their results indicate the relevance of firms' size, the exposure to EU regulation, as well as the absence of strong support from firms' home countries which is mainly the situation of companies with headquarters outside the EU.

Contrary to general belief, instead of describing business participation in European politics as a pervasive influence, one should recognize that the European Commission needs information from external stakeholders and its policy-making process is formulated to comprise it. It relies on external information to improve the decision-making process in the EU. Bouwen (2002) identifies such demand as access goods. These are crucial information related to expert knowledge, European interests or domestic interests that enable information suppliers to develop a close relationship with the European Union

<sup>&</sup>lt;sup>19</sup> Commission Expert Groups: <u>http://ec.europa.eu/transparency/regexpert/index</u> accessed in March, 2018.

representatives. According to this theory, stakeholders that could better supply access goods will gain access to the European institutions. Specifically, in the case of the European Commission, its necessity to increase decisions legitimacy leads to the hypothesis that large individual firms will have more access to lobby the commission.

Other research also investigated lobbying in the European institutions. Ehrlich and Jones (2016) recognized that access to policy-makers is a scarce good and when the costs of lobbying in the national level increases, companies will target their lobbying efforts at the European level. Eising (2007) investigated access patterns confirming that the European Commission is the most demanded institution for interest groups in the EU, and suggesting that associations have more contact with this institution than firms. Vannoni (2012) investigated the determinants of direct corporate lobbying, proposing that more concentrated sectors and asset mobility specificity would be substantial factors, although firms' size does not appear as a relevant one. Finally, Hermansson (2016) identified that policy recommendations from stakeholders that have offices in Brussels were less likely to be accepted by the European Commission. Additionally, he concludes it is more probable to consider the suggestions of stakeholders with expertise participating in exclusive policy fora. Such findings evidence the importance of access to target politicians to increase influence and give interesting clues about factors that could contribute to successful performance in corporate political strategies.

In comparative research between the EU and the US lobbying, Mahoney (2008) explains that reelection is very relevant to shape political strategies. In the US, lobbyists are more partisan, focus on specific politicians to discuss a bill and rely more on public mobilizations to put pressure. On the contrary, the EU lobbyists are politically neutral, use more technical arguments, and seldom appeal to grass-roots mobilizations.

Taking as a reference the categorization proposed by Hillman and Hitt (1999), we note that firms have more relational approach than the transactional one in the EU political arena and both individual and collective lobbying are largely employed. Also, informational strategies are the most important among the strategies to pursue since private money is forbidden on politics, and the absence of elections in the European Commission reduces the incentives to deploy constituency-building strategies.

Though these studies brought some knowledge about corporate political activity in the European Union, current research did not wholly unveil lobbying dynamics. There is a lot to be explored, mainly concerning individual firms' analysis. The scarcity of lobbying data in Europe is probably the main reason for this gap.

## 4 Political Knowledge: An Approach to Understand Firms' Access to the European Commission

Many authors suggest that companies which own political resources<sup>20</sup> and develop political capabilities<sup>21</sup> would be more effective in their political strategies. To this extent, they could represent a source of competitive advantage in the political arena. These findings are anchored in the RBV perspective that states firms owning rare, inimitable, valuable and non-substitutable resources have a sustainable competitive advantage because of imperfections in the strategic market factors<sup>22</sup>.

Indeed, Bonardi (2011) recognizes this framework is appealing to corporate political strategies research. However, he points that the main roots of political resources are money, votes, and information. A crucial characteristic of these resources is that they are not hard to imitate. Consequently, RBV framework should embody a real exploration of corporate political resources. In an attempt to develop it further, Bonardi and Vanden Bergh (2015) explore the concept of political knowledge characterized by the set of skills and capabilities firms employ to participate in the public policy process. They define two dimensions of political knowledge: institution-specific and firm-specific. The former consists of firms' knowledge about political environment dynamics, policy-making process and the mechanisms which enable participation in the process. The latter refers to the knowledge of firms' value in the political environment, such as the political value of firms' business assets, practices, and strategies. Hence, they suggest firms which combine both dimensions of knowledge, meaning they have developed firm-institution specific knowledge, are more likely to generate a sustainable competitive advantage.

The development of firm-specific knowledge is consistent with the analysis of Barney (1986) about sources of informational advantages through organizational analysis in strategic factor markets. Not rare, firms have access to internal information that is not available to their competitors. Then, if they manage to develop assets to create firm-specific knowledge in their organizations, it can be a source of competitive advantage.

The concept of political knowledge in management is different from the usual meaning it has in political sciences which refers to the ability to predict the consequences of political actions<sup>23</sup>. In management, this concept approaches to political capabilities of the firm, which Brown (2016) defined as the set of non *ad hoc* activities and processes oriented toward value creation or maintenance of the

<sup>&</sup>lt;sup>20</sup> Hillman and Hitt (1999).

<sup>&</sup>lt;sup>21</sup> Bonardi, Holburn, and Vanden Bergh (2006); Oliver and Holzinger (2008).

<sup>&</sup>lt;sup>22</sup> Wernerfelt (1984); J. B. Barney (1986); J. Barney (1991).

<sup>&</sup>lt;sup>23</sup> Lupia and McCubbins (1998).

firms' political environment. It is an intangible resource that can impact the design of corporate political strategies. For instance, firms with a little of political knowledge may privilege collective actions rather than independent initiatives<sup>24</sup>. The accumulation of political knowledge is strategic for companies that decide to be active in the political arena. Those who develop little political knowledge risk depending too much on external resources such as professional lobbyists and, consequently, they may lose the potential rents coming from political activities<sup>25</sup>.

In the political environment of the European Commission, the absence of campaign contributions to leverage the degree of access to political representatives intensify the relevance of political knowledge development. Information provision appears as the most used strategy. Thereupon, firminstitution specific knowledge is necessary to the deployment of corporate political strategies and can be a source of competitive advantage in this political arena. It leads us to our hypothesis:

H1: Firms that develop political knowledge have more access to the European Commission.

There are many ways to build and accumulate political knowledge in the EU. For instance, the establishment of a representative office in Brussels enables enlargement of political networks and closer follow-up of European debates. Additionally, Bonardi and Vanden Bergh (2015) also suggest the possibility to appeal to market-based solutions, such as hiring a lobbyist or consultants that know policy-making process and probably have political ties. It is also possible that large businesses would have advantages to accumulate political knowledge because of their familiarity with the markets and the sectors they operate. None the less, we could also argue these sources of knowledge can increase access to the European Commission because of network issues or market power. That being so, we also decide to explore the importance of political knowledge through other dimensions that are more anchored to the knowledge accumulation in the EU context and that would be welcomed by the European Commission: experience, the participation in expert groups and operation in priority sectors according to the EU political agenda.

Experience is an essential component in knowledge acquisition. Firms with more experience in lobbying can accumulate more political knowledge due to previous interactions in the political arena. They are more familiar with the policy-making process and the institutional environment. Previous research demonstrated that experience dealing with regulators was significant to favorable

<sup>&</sup>lt;sup>24</sup> (Hillman and Hitt 1999).

<sup>&</sup>lt;sup>25</sup> Jia and Mayer (2016).

decisions about regulated price adjustments. It suggests experience is valuable and helps to develop political knowledge<sup>26</sup>.

The participation in the expert groups is also an alternative to developing political knowledge in the European Commission considering that it formally calls for this external advice. In such environment, participants have contact with several stakeholders in the political arena, and they can create connections with the staff of the Commission. As participants get more information about the political agenda, they also develop a social network and exchange knowledge. Therefore, companies benefiting from this opportunity acquire institution-specific knowledge. Furthermore, the admission process to join an expert-group includes the analysis of the capabilities of the actors to contribute to the discussion which indicates they must have some firm-specific knowledge.

Moreover, companies willing to take advantage of their political knowledge should both develop it and target it to the necessity of the politicians. It means that if companies are successful in fitting their knowledge to the requirements of the current political agenda, they will have more attention from politicians and, consequently, more access to them. In the context of the European Commission, a group of priorities is set at the beginning of the president's mandate, indicating the central issues of the political agenda for a five years period. Thus, firms intending to participate in the political arena should develop their firm-specific knowledge aligned with such priorities. It is a natural consequence of the political agenda impacting firms' sector directly and, as a result, they would develop more valuable firm-specific knowledge to the political arena.

#### **5** Empirical Approach

Empirical research on lobbying in the European Union environment is usually troublesome because of data scarcity. Usually, previous studies that tried to analyze interest group representation in Europe relied on surveys<sup>27</sup>, a combination of lobbying register data with sector information<sup>28</sup> or press data<sup>29</sup>. To bring some novelty to empirical research of lobbying in the European Union, we rely on a new dataset built from two primary sources: information about meetings with interest groups from the European Commission and the Transparency Register.

A new perspective for research on lobbying in the European Commission came with an official decision from 2014 stating as mandatory to publish

<sup>&</sup>lt;sup>26</sup> Bonardi, Holburn, and Vanden Bergh (2006).

<sup>&</sup>lt;sup>27</sup> Eising (2007).

<sup>&</sup>lt;sup>28</sup> Vannoni (2012).

<sup>&</sup>lt;sup>29</sup> Rival (2012).

information on all meetings with third parties. The decision includes meetings of the commissioners, the members of their cabinets and the directorates-general<sup>30</sup>. To collect more information about firms participating in meetings, we merged meetings information with data from the Transparency Register<sup>31</sup> (TR) database. It is a non-mandatory register which contains basic information about interest groups intending to participate in the European policy-making discussions. The register is valid both for the European Commission and the European Parliament, and it is the main data source of lobbying at the European level. Some previous empirical research has already exploited this register<sup>32</sup>. Despite its volunteer registration feature, the main representation activities in the European Commission such as meetings, expert groups, and public consultations are constrained to registered entities.

To enrich the dataset, we added information about membership in the expert groups. The dataset also includes information to characterize the stakeholders such as Thomson Reuters Business Classification<sup>33</sup> (TRBC), distinguishing companies by their business sector. It also differentiates between small and large companies using both Fortune Global 500<sup>34</sup> list for 2016 and 2016 Forbes World's Biggest Public Companies<sup>35</sup>. To incorporate business associations information, we considered the four top European Business Associations access to the European Commission: BusinessEurope<sup>36</sup>, regarding DigitalEurope<sup>37</sup>, Eurocommerce<sup>38</sup> and American Chamber of Commerce to the EU<sup>39</sup>. They were the only associations with more than 50 meetings registered in the period studied. They represent 7% of the total of this category in a universe of more than 750 business associations.

The resulting sample is a cross-sectional dataset including 1845 observations which represent worldwide companies registered in the TR in December 2016. It does not consider 210 observations that were either missing relevant information for the analysis or misclassified as companies. In the final

<sup>&</sup>lt;sup>30</sup> European Commission (2014).

<sup>&</sup>lt;sup>31</sup> Transparency Register website:

http://ec.europa.eu/transparencyregister/public/homePage.do?locale=en#en accessed in December, 2016.

<sup>&</sup>lt;sup>32</sup> Coen and Katsaitis (2015); Eising (2007); Bernhagen and Mitchell (2009); Vannoni (2012).

<sup>&</sup>lt;sup>33</sup> TRBC: Thomsom Reuters Business Classification. It is a 5 level hierarchical structure. For our sample, only the top level is used, which is "Economic Sector".

 <sup>&</sup>lt;sup>34</sup> Fortune Global 500 2016 list: http://beta.fortune.com/global500/list accessed in December, 2016
 <sup>35</sup> Forbes World's Biggest Public companies: http://www.forbes.com/global2000/list/ accessed in

December, 2016.

<sup>&</sup>lt;sup>36</sup> BusinessEurope: https://www.businesseurope.eu/ accessed in March, 2018.

<sup>&</sup>lt;sup>37</sup> Digital Europe: http://www.digitaleurope.org/ accessed in March, 2018.

<sup>&</sup>lt;sup>38</sup> Eurocommerce: http://www.eurocommerce.eu/ accessed in March, 2018.

<sup>&</sup>lt;sup>39</sup> American Chamber of Commerce to the EU: http://www.amchameu.eu/ accessed in March, 2018.

sample, 808 observations met a European Commission representative at least once during the period studied: from December 2014 and December 2016 whereas 1037 had no meeting in this period.

#### **5.1 Measures**

The dependent variable is a measurement of access to the European Commission. We operationalize it through the number of meetings a company had with a commissioner, member of commissioner's cabinet or Director-General during the two years period observed.

The independent variables associated with political knowledge include Experience which is measured the length of time a company is active in the TR for interest representation. We calculate it by the difference in days of register date and the reference date (1 January 2017). The Expert Group is a dummy variable that takes true value for companies that have any membership status in any Commission expert group. It was retrieved from the web page of the Commission expert groups. The Sector in EU Political Agenda is also a dummy that identifies sectors directly involved in the priorities established by the European Commission. The priorities related to economic sectors are Energy Union, Digital Single Market, Economic and Monetary Union. Therefore, from TRBC ten major economic sectors, energy, financials, technology, telecommunication services and utilities were set as priorities whereas basic materials, industrials, consumer cyclicals, consumer non-cyclicals, and healthcare were not priority sectors.

We also included some variables associated with the deployment of corporate political strategies that can influence access. *Brussels Office* is a dummy variable that identifies from TR database if a company has either a representative office or headquarters in Brussels. *Lobbyist* is a dummy to identify if an outside professional lobbyist is representing the company. This information comes from the TR database where professional lobbyists declare the clients they are representing. *Large Companies* is a dummy variable that takes true value for the companies that appear either on the Forbes list "The World Biggest Public Companies" or Fortune Global 500 list. *Business Association* is another dummy variable to identify if a company has membership on the European Business Associations which have more access to the European Commission representatives (BusinessEurope, DigitalEurope, Eurocommerce or American Chamber of Commerce to the EU).

Finally, the dataset contains other variables extracted from the declared information in the TR: full time equivalent people involved in lobbying activities (*FTE*), number of people accredited to access the European Parliament (*Parliament*), expenditure with lobbying activities measured in thousands of euros

(*Lobbying Costs*) and a dummy variable that indicates if the company is from the EU (*EU Country*). These are variables that could interfere with the level of access of firms to the European Commission, although the hypothesis does not contemplate them.

#### 5.2 Analysis

The analysis abides by the characteristics of the dependent variable: a count variable which is discrete and nonnegative. The classical least squares regression methods may present estimation errors when the variable has the mentioned characteristics<sup>40</sup>. The count models are adequate to this type of data because it considers all its specificities in the regression.

The basic approach to analyzing count data is using Poisson model, which derives from Poisson probability distribution function. However, one of the principles of the model is the equidispersion of the variable, which means that the variance and the mean must present the same value. When the violation of this condition occurs, another model should be employed to avoid misspecification of the regression components. If there is data overdispersion, which is the case of the dependent variable number of meetings, usually negative binomial model is used.

The negative binomial model derives from a Poisson-gamma mixture distribution where an additional term is incorporated to accommodate overdispersion. In a Poisson model,  $\mu$  represents the variance whereas  $\mu + \mu^2/v$  is the variance in the negative binomial model where  $\mu^2/v$  is the gamma variance, and v is the gamma shape parameter corresponding to the overdispersion<sup>41</sup>.

A challenge to our analysis is the excess of zeros in the sample. Only 43% of the firms had a meeting during the observed period. We cannot assume that all of them tried to have a meeting with representatives of the high hierarchy of the European Commission. At first, because it is a shared register between the commission and the parliament and, finally, a firm may have registered, for instance, just to have their voice listened to public consultations. On the other hand, there is a risk of selection bias if we consider only the observations that account at least one meeting. To deal with it, we decided to run two types of analysis to test our hypothesis. The first includes the full sample with the excess of zeros leading us to employ a zero-inflated negative binomial (ZINB) regression. The second considers only the 808 observations that elected the European Commission as a target for lobbying. Thereby, we employ a zero-truncated negative binomial (ZTNB) regression.

<sup>&</sup>lt;sup>40</sup> Winkelmann (2008).

<sup>&</sup>lt;sup>41</sup> Hilbe (2011).

The existence of zeros in the sample is a principle valid both for Poisson and negative binomial models. The excess or the absence of zeros is a violation of the model which would result in estimation errors if they are not treated<sup>42</sup>. The variable *number of meetings* violates this condition in the two types of analysis we proposed. Thus, it justifies the use of zero-inflated and zero-truncated negative binomial models that deal with all the specificities of the dependent variable.

Before running the regression, it is necessary to be sure that overdispersion is real instead of apparent. The use of negative binomial models for apparent overdispersion can also lead to the wrong specification of the estimators. Our data present a very high Pearson statistic which denotes overdispersion. Some tests were performed to check apparent overdispersion caused by outliers (i), the omission of explanatory variables (ii) and link problems (iii). The results indicate real overdispersion. We used different configurations of regressions to test (i) and (ii) that indicated the persistence of high Pearson statistic, whereas test (iii) was performed by Tukey-Pregibon link test that calculates the hat matrix diagonal statistic after modeling the data. Furthermore, some tests such as Z-score test and Lagrange Multiplier test evaluate overdispersion. They analyze if the amount of overdispersion in a Poisson model is sufficient to violate assumptions. Z-score test is based on t-test probability whereas Lagrange multiplier evaluates chi2 statistics<sup>43</sup>. We ran both tests and, according to their results, we can reject the hypothesis of no overdispersion. Finally, the observation of the results of likelihood ratio test ensured that a negative binomial model is more appropriate than a Poisson model and Vuong test ensured that zero-inflated approach is better than standard negative binomial approach for the full sample.

We present on graphic 1 the histogram of the dependent variable number of meetings. Table 1 and Table 2 presents, respectively, a summary of the variables as well as the correlation matrix for the full sample and the reduced sample. Table 3 presents the frequency distribution of firms among sectors.

<sup>&</sup>lt;sup>42</sup> Hilbe (2011).

<sup>&</sup>lt;sup>43</sup> Hilbe (2011).

	Variables	Mean	Std. Dev.	Min	Max	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Α.	Number of meetings	2.22	5.05	0.00	50.00	1											
В.	Experience	2.44	2.27	0.03	8.41	0.41	1										
C.	Expert Group	0.13	0.33	0.00	1.00	0.27	0.19	1									
D.	Political Agenda Sector	0.37	0.48	0.00	1.00	0.15	0.00	0.01	1								
Ε.	Brussels Office	0.24	0.43	0.00	1.00	0.36	0.41	0.17	0.01	1							
F.	Lobbyist	0.28	0.45	0.00	1.00	0.38	0.31	0.10	0.01	0.22	1						
G.	Large Companies	0.24	0.43	0.00	1.00	0.41	0.39	0.22	0.05	0.32	0.37	1					
Н.	Business Association	0.10	0.30	0.00	1.00	0.36	0.34	0.18	-0.02	0.35	0.30	0.43	1				
١.	EU Country	0.81	0.39	0.00	1.00	-0.08	-0.09	-0.03	-0.03	-0.18	-0.23	-0.30	-0.28	1			
J.	Lobbying costs	207.03	456.71	0.01	5000.00	0.52	0.35	0.26	0.08	0.32	0.24	0.37	0.39	-0.10	1		
K.	FTE	1.71	4.16	0.25	100.00	0.16	0.14	0.08	0.04	0.10	0.09	0.08	0.08	0.00	0.21	1	
L.	Parliament	0.69	1.48	0.00	15.00	0.56	0.50	0.22	0.05	0.47	0.33	0.42	0.39	-0.11	0.53	0.19	1

Table 1. Descriptive Statistics and Correlation Matrix - Full Sample

Table 2. Descriptive Statistics and Correlation Matrix - Reduced Sample

	Variables	Mean	Std. Dev.	Min	Max	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
Α.	Number of meetings	5.06	6.62	1.00	50.00	1											
В.	Experience	3.27	2.42	0.07	8.41	0.40	1										
C.	Expert Group	0.17	0.38	0.00	1.00	0.34	0.34	1									
D.	Political Agenda Sector	0.45	0.50	0.00	1.00	0.14	-0.05	0.04	1								
Ε.	Brussels Office	0.37	0.48	0.00	1.00	0.35	0.48	0.24	-0.01	1							
F.	Lobbyist	0.49	0.50	0.00	1.00	0.27	0.19	0.11	-0.06	0.14	1						
G.	Large Companies	0.39	0.49	0.00	1.00	0.38	0.41	0.29	0.05	0.30	0.24	1					
H.	Business Association	0.18	0.39	0.00	1.00	0.33	0.36	0.22	-0.09	0.37	0.20	0.40	1				
١.	EU Country	0.76	0.43	0.00	1.00	-0.03	-0.07	-0.01	-0.03	-0.17	-0.20	-0.27	-0.29	1			
J.	Lobbying costs	337.82	580.14	1.00	5000.00	0.54	0.41	0.33	0.10	0.32	0.17	0.38	0.42	-0.08	1		
K.	FTE	2.06	4.81	0.25	100.00	0.18	0.17	0.10	0.04	0.12	0.09	0.09	0.09	0.03	0.22	1	
L.	Parliament	1.23	1.87	0.00	13.00	0.54	0.55	0.30	0.02	0.45	0.24	0.40	0.38	-0.06	0.58	0.22	1



Graphic 1 - Histogram

Table 3. Distribution per Economic Sector									
	Political	Fu	ıll Sample		Reduced Sample				
Economic Sector	Agenda	Freq.	Percent	Cum.	Freq. I	Percent	Cum.		
Energy	1	73	3.96	3.96	47	5.82	5.82		
Basic Materials	0	138	7.48	11.44	60	7.43	13.24		
Industrials	0	486	26.34	37.78	184	22.77	36.01		
Consumer Cyclicals	0	304	16.48	54.25	118	14.6	50.62		
Consumer Non Cyclicals	0	142	7.7	61.95	59	7.3	57.92		
Financials	1	220	11.92	73.88	122	15.1	73.02		
Healthcare	0	85	4.61	78.48	25	3.09	76.11		
Technology	1	229	12.41	90.89	96	11.88	88		
<b>Telecommunication Services</b>	1	72	3.9	94.8	31	3.84	91.83		
Utilities	1	96	5.2	100	66	8.17	100		
Total		1845	100		808	100			

#### **6** Results

Tables 4 show the results of the analysis with the full sample using a ZINB regression. It is a two-part regression that models zero counts using both binary and count process. It assumes zeros might have two different origins: a failure or, simply, no attempt to achieve the expected result. Therefore, the binary part, also known as the inflation process, uses predictors to define the results of the binary

process and, then, a negative binomial regression analyzes the count process<sup>44</sup>. The binary process uses a logit regression, and it is noteworthy that it estimates the probability of a zero observation which can be counter-intuitive.

The logical approach of ZINB fits to our sample. Zero meeting can indicate either the commission's refusal to a meeting request or no attempt to organize it. We should emphasize this difference between the binary and the count processes. The former is related to the willingness of the firms that will make an effort or not to organize a meeting whereas the latter represents the willingness of the commission to meet that firm. The count process is the one which we are interested in testing our political knowledge hypothesis.

However, we need to understand the two processes that generates zeros to set the predictors of the ZINB regression. We propose that firms aiming to meet the representatives of the commission will invest in lobbying activities and the expansion of their lobbying network. Consequently, the variables *Brussels Office*, *Lobbyist*, *Lobbying Costs*, *FTE* and *Parliament* could be good predictors. Because some of them might also explain the count process, they are present in both parts of the regression.

We ran the model with different configurations to evaluate the better specification through Akaike's (AIC) and Bayesian (BIC) information criteria. In Table 4, the Model 1 includes the complete set of variables while Model 2 represents the best specification according to AIC and BIC. In the inflated part of the regressions, we note that the number of accredited people to access the parliament and the full-time equivalent people are all predictors of positive counts. Taking into consideration that the inflated part measures the probability of zero, we can interpret that more people with access to the parliament increase the possibility of a meeting but more people working in lobbying activities decrease it. People accessing the parliament are lobbying the European deputies that also are in a high hierarchy of targets for EU lobbying. This result suggests that the number of people that reaching targeted representatives is more relevant than the size of the team. Contrary to our initial idea, lobbying expenditures and a representative office in Brussels are not good predictors of positive counts.

Our hypothesis concerns the relevance of political knowledge to have better access to the European Commission representatives. According to both Model 1 and Model 2, the variables *Experience* and *Political Agenda Sector* are significant at 1% level. Even though the variable *Expert Group* is not significant, we should not reject our hypothesis. Unsurprisingly and aligned with the current state of the art, the weight of the variables Brussels, Lobbyist, Large Companies and Lobbying Costs are also significant to increase the access to the European Commission representatives as well as being an EU firm. We have also included

<sup>&</sup>lt;sup>44</sup> Winkelmann (2008); Hilbe (2011).

in the analysis the interaction between the variables *Brussels Office* and *Lobbyist*, but it was not relevant.

 Table 4. Zero-Inflated Negative Binomial Regression Analysis

 Variables
 Model 1
 Model 2
 Model 3

Variables	Model 1	Model 2	Model 3					
Experience	0.1138 ***	0.1145 ***	0.0464 **					
Expert Group	0.1453	0.1590	0.2324 ***					
Political Agenda Sector	0.3768 ***	0.3626 ***	0.4708 ***					
Brussels Office	0.3494 **	0.3174 ***	0.1149					
Lobbyist	0.7396 ***	0.7046 ***	0.4130 **					
Large Companies	0.4386 ***	0.4512 ***						
Business Association	0.1273		0.0560					
EU Country	0.1899 **	0.1761 *	0.2986 ***					
Lobbying costs	0.2076 ***	0.2267 ***	0.1099 **					
FTE	0.0062		0.1274 ***					
Brussels * Lobbyist	-0.0975		0.1538					
Constant	-1.4371 ***	-1.4763 ***	-0.2669					
Inflate								
Parliament	-1.0904 ***	-1.1935 ***	-0.5437 **					
Lobbyist	-30.1819	-28.4227	-0.7594 *					
Lobbying costs	-0.0732		-0.0519					
FTE	0.1299 **	0.1120 **	0.0704					
Brussels Office	-0.1462		-0.3141					
Constant	-0.2350	-0.4941 **	-0.3331					
/Inalpha	0.0463	0.0494	-0.6829					
alpha	1.0474	1.0507	0.5051					
AIC	5509.64	5502.87	2228.33					
BIC	5614.52	5580.16	2301.89					
Vuong toot of tinh vit ND:	z = 3.58	z = 3.73	z = 2.72					
Vuong test of zinb vs. NB:	Pr>z = 0.0002	Pr>z = 0.0001	Pr>z = 0.003					
* p < .10. ** p < .05. *** p < .01								

\*p < .10, \*\*p < .05, \*\*\*p < .01

In Model 3, we aim to check the persistence of the results with a subsample of large companies only. It is well documented in the literature that large companies have more resources and, consequently, more possibilities to invest in corporate political strategies. This sub-sample presents 440 observations, and the results show different dynamics compared to Models 1 and 2. We note that both *Parliament* and *Lobbyist* variables are decisive to the binary process. Additionally, all the variables linked to our hypothesis *Experience*, *Political Agenda*, and *Expert Group* are significant. It suggests that the participation in expert groups has an accentuated impact on large companies. On the other hand, a representative office in Brussels is less critical to increasing access to the European Commission in the case of large firms.

The second part of the analysis is presented in Table 5. We performed a ZTNB regression only with the 808 observations that accounted at least one meeting. Unlike the ZINB, this is a one-part regression without predictors. It means that all variables will explain the differences in the count process. The results give support to our hypothesis, both *Experience, Political Agenda Sector* and *Expert Group* are significant. It is interesting to note that according to the ZTNB, the nationality of the companies is not a determinant factor to obtain privileged access to the European Commission. Finally, we observe that the participation in business associations was not significant in both analyses. It suggests that collective strategies might not be an effective way to leverage access to individual strategies in the EU political arena.

Table5. Zero-Truncated Negative Binomial Regression Analysis							
Variables	ZTNB reg						
Experience	0.0687 ***						
Expert Group	0.1902 *						
Political Agenda Sector	0.1790 ***						
Brussels Office	0.2748 **						
Lobbyist	0.5852 ***						
Large Companies	0.3639 ***						
<b>Business Association</b>	0.0351						
EU Country	0.1125						
Lobbying costs	0.1955 ***						
FTE	-0.0096						
Parliament	0.1372 ***						
Constant	-1.0741 ***						
/Inalpha	-0.0486						
alpha	0.9526						
Likelihood-ratio test of alpha=0: chibar2(01) = 1007.55 Prob>=chibar2 = 0.000							
* p < .10, ** p < .05, *** p < .01							

As a complementary analysis, we also investigate the impact of political knowledge in the type of meetings. Then, we classified the meetings into two types bilateral and multilateral meetings. The former refers to meetings between only one firm and the Commission. The latter refers to meetings where two or more companies participate. Bilateral meetings probably require more effort to happen and give more freedom to companies to defend their interests. We use the reduced sample of 808 observations for this regression, and we employ a standard negative binomial regression. The results are shown in Table 6.

The regressions with bilateral and multilateral meetings are congruent with previous results. We still find support for our hypothesis, and it seems to be stronger for multilateral meetings. It gives some evidence to the relevance of political knowledge to have access to the European Commission. We also note that the nationality of companies is more decisive to multilateral meetings.

To summarize, our results suggest that, *ceteris paribus*, lobbying experience, attending to expert groups and operating in a sector which focuses on the political agenda are some factors that could lead to easier access to the European Commission representatives. It suggests the relevance of the accumulation of political knowledge to the deployment of corporate political strategies in the European Commission. Moreover, the results also corroborate the relevance of other characteristics and strategies such as firms' size and the use of outside lobbyists as it was previously discussed in the literature.

Multilateral Meetings		-
Variables	Bilateral	Multilateral
Experience	0.0300 *	0.0573 ***
Expert Group	0.1490 *	0.3110 ***
Political Agenda Sector	0.1746 ***	0.2967 ***
Brussels Office	0.1727 **	0.2652 ***
Lobbyist	0.4534 ***	0.2074 **
Large Companies	0.1917 **	0.4900 ***
<b>Business Association</b>	0.0347	0.1810
EU Country	0.0828	0.3243 ***
Lobbying costs	0.1437 ***	0.0806 **
FTE	0.0042	-0.0022
Parliament	0.1198 ***	0.0784 ***
Constant	-0.4580 ***	-1.4664 ***
/Inalpha	-0.6734	-0.7630
•	0.5100	0.4663
alpha	0.5100	0.4003
Likelihood-ratio test of alph chibar2(01) = 720.95 Prob		

Table 6. Negative Binomial Regression Analysis Bilateral and Multilateral Meetings

\* p < .10, \*\* p < .05, \*\*\* p < .01

#### 7 Discussion

In this study, we aim to investigate the determinants of firms' access to the European Commission. Some research analyzed the dynamics of European lobbying, nevertheless few of them analyzed it empirically. During the 1990s, many companies decided to establish offices in Brussels aspiring to participate more actively in the European policy-making process. Many researchers have studied this phenomenon and how the lobbying dynamics evolved through the years from a national approach to a more sophisticated one that included supranational strategies. Much research confirmed this corporate interest, and part of them theorized that some interest groups would enjoy privileged access to the European Commission representatives.

In general, theories related to lobbying dynamics in the European Union are quite convergent concerning access differentiation. Indeed, the amount of business and trade associations, professional lobbyists, and companies that decided to set up an office in Brussels hints there is a substantial corporate interest in the EU. It suggests that some players would have privileged access to participate in the policy-making process. Notably, the significant share of related interest groups in the meetings with commission representatives, which achieves 68% of the total according to our data, reinforces the effective participation of business interests. Therefore, one of the missing pieces in the European Commission lobbying puzzle was a quantitative analysis, which provides some empirical support to confirm the theories already developed. We try to fulfill this specific gap by performing further investigation about the determinants of firms' access to the European Commission representatives.

In this research, we propose that firms' accumulation of political knowledge is associated with their level of access to the European Commission. Considering the two dimensions of this knowledge: institution-specific and firmspecific, as developed by Bonardi and Vanden Bergh (2015), I discuss some ways through which firms build political knowledge in the European Commission context and how it leads to a higher degree of access to its representatives. The reported analysis relied on a new dataset built from the merger of the European Commission representatives meetings information, TR database and additional firms' data. Our sample has 1845 companies of which 808 had a meeting with the European Commission during the two years period of analysis. The strength of this dataset is the establishment of a direct measure of access to representatives the number of meetings. Before meeting details information was made available, researchers relied on different measures. For instance, Hermansson (2016) measured privileged access through participation in exclusive public fora. Eising (2007) used surveys to analyze business associations and firms' access. Bernhagen and Mitchell (2009) made direct lobbying operational through a combination of firms' parameters such as Brussels office, use of external lobbyist and the existence of an EU affair representative. Albeit these approaches give some clues about lobbying dynamics, they are less precise to measure the level of direct lobbying activity.

Our results support the relevance of political knowledge accumulation for more access to the European Commission. The lobbying experience and the sector included in the political agenda were significant in every analysis performed while the participation in expert groups was less conclusive, but it should not be disregarded considering its significant level in many of the regressions performed. Furthermore, other variables included in the analysis such as firms' size, use of outside lobbyists, and the existence of a representative office in Brussels presented very robust results, suggesting they are also relevant to access. Hence, it also gives support for previous research dedicated to understanding the EU political arena.

For instance, Coen (1998; 2009) described the emergence of a European identity for some companies that resulted in privileged access, the elite pluralism phenomenon. According to the analysis provided in this article, this identity is probably sustained by firms' political knowledge. We confirmed that the main characteristics of the companies identified in the elite pluralism (firms' size, office in Brussels and lobbying experience) are relevant factors for access.

In comparison to other research developed in the European political environment, these findings are also consistent with theories proposed by Bouwen (2002). He hypothesizes that companies able to provide access goods would gain more access. It refers to value-added information supplied by companies during the policy-making process. In the context of this research, access goods are equivalent to the outputs of political knowledge of firms. Our findings are also convergent to the results of Hermansson (2016) that suggest stakeholders' expertise is a relevant dimension for the European Commission to accept policy recommendations.

We have also analyzed the impact of economic sector to the level of access. Vannoni (2012) hypothesized the different weight of economic sectors in direct lobbying due to the Olsonian argument that attributes access to industry concentration. Differently, in this research, we suggested that the various sectors participation would be related to policy agenda setting. Our results confirm that most of the sectors operating in those who are considered priorities to the European legislation access more easily the EC representatives.

As a conclusion, this study makes some contributions to the existing literature in corporate political strategies in Europe. At first, it expands the empirical research of lobbying in the European Union. Up to now, there is a scarcity of data which holds back the development of quantitative studies. In comparison to the US, from where most of the corporate political strategies research come, the European political environment accounts for little quantitative research.

It is worth to highlight that new dataset is introduced to analyze lobbying in Europe. Its main advantages are the direct measure of lobbying intensity through the total of meetings accounted and the individualization of firms' information which allows us to analyze what are internal tactics and characteristics that determine access. It intends to represent a broad picture of corporate lobbying in the high level of the European Commission during a certain period, keeping in the analysis both non-European and small businesses.

This research provides empirical results supporting that political knowledge can increase firms' degree of access to the political representatives. It suggests political knowledge can generate a sustainable competitive advantage as advised by Bonardi and Vanden Bergh (2015). Thus, it contributes to management research by analyzing the potential of RBV theory also on political environments. These findings can give useful insights for companies planning to deploy political strategies in Europe.

Despite having interesting results, we should point some limitations of this study. First of all, lobbying in Europe is very complex, it involves all EU institutions as well as national institutions. In this research, we focus on the European Commission, and we do not have the whole picture of the dynamics between institutions. Additionally, meetings information is only available for high-level commission officers, but we know lobbying occurs in all staff levels of European institutions. An interesting finding in this research is the relevance of the number of people accredited to access the parliament. The results indicated this variable is important for both binary and count process. It points towards a relationship between lobbying in the parliament and in the commission that is little explored in the literature and deserves more attention.

Moreover, we must point out that we cannot discard the risk of reverse causality of some variables such as participation in expert groups and sectors in the political agenda. Even though one might argue that lobbying efforts influence political agenda, we should recognize that it would require much coordination of firms of the sector which is hard to obtain. The European Commission scope is delimited by the European Treaties and the single market objectives, with the approval of member states authorities, guide the political agenda. Thus, there is little room for lobbying setting general priorities. In the same way, participation in the expert groups is judiciously assigned. The European Commission organizes calls for applications, and there is an internal procedure to ensure transparency, to avoid conflict of interests, and to make sure the selected stakeholders have the required capabilities to contribute to the discussions. Thus, lobbying must not interfere in the assignment of positions.

It is also relevant to mention that a considerable percentage of the data comes from TR database. The register is not mandatory, and there is no verification of the data input which may lead to inconsistencies. Furthermore, as meeting information disclosure is very recent, we have a short period of analysis. Finally, it would be valuable to have more specific information about financial figures of the companies such as assets and turnover. However, our sample contains more than eighteen hundred companies with a variety of sizes and nationalities which make it difficult to find all sources to supply this type of data.

The reported findings encourage us to continue to investigate lobbying dynamics in Europe. An extended period of analysis would give more robustness to the results and would discard risk of bias related to discussions of specific policy issues due to the analysis of one single agenda. Additionally, it would be interesting to evaluate if or how access is translated into influence. Current research usually mentions that access does not necessarily imply influence. However, would it impact policy-making anyhow? If previous studies in the US demonstrated that corporate political strategies resulted in several positive outcomes for companies, we have reasons to guess that the same could happen in the EU. We believe there are many avenues for future research on corporate political strategies in the European Union that would bring additional insights into this research field.

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