

**Octopus Interface "Corruption and Democracy"
Workshop on lobbying**

LOBBYING, CORRUPTION AND DEMOCRACY - ISSUES FOR DISCUSSION

The pluralism of interest is an important feature of democracies. It is therefore legitimate that members of society organise and lobby for their interests. This may take the form of corporatism (that is, the institutionalised participation of interest groups in policy-making) or lobbying, which is less institutionalised, less formal and without negotiated obligations. Lobbying is the process of influencing public or government policies.

Interest groups make expertise available that policy makers need in order to make informed decisions. Lobbying is one way allowing citizens to participate in decision-making processes. And in theory, the balance of freely expressed and organised interests represents the common interest in a democracy.

In practice, however, interests are unequally organised and not all members of society have the same capacity to make themselves heard. Economic globalisation furthermore means that transnational corporations with limited links to society lobby for particularistic interests.

Furthermore, the boundaries between legitimate lobbying and corruption are not always clear. Certain lobbying techniques may be of a corruptive nature, such as contributions to political parties, campaigns or elected representatives, undue advantages to public officials or elected representatives such as consulting or employment contracts, board memberships, kick backs or post-office employment (revolving doors).

Lobbying may thus lead to the corruption of democratic principles:

- Policies serving particularistic interests
- Evasion of transparency and accountability
- Coopted politicians
- Political inequality
- Unequal access to law and decision makers
- Corporate democracy
- Declining trust and participation in democracy

In most European countries, lobbying is not regulated (unlike for example in Canada the USA through the Lobbying Disclosure Act of 1995 and Amendments of 1998). Exceptions include the German Federal Parliament and Poland which adopted a new law on lobbying in July 2006. With regard to the lobbying of European Union institutions, lobbyists (SEAP) developed their own Code of Conduct. The European Commission – under the European Transparency Initiative – is proposing to introduce a common code of conduct and a voluntary registration system.

Regulations may help increase transparency and accountability but also carry risks. They may limit possibilities for participation in decision making or provide legal cover for trading in influence and other forms of corruption.

Given the strong influence of lobbyists on policy-making in Europe, the following issues are to be discussed:

- How could lobbying be made more transparent?
- What lessons can be learnt from existing regulations or (voluntary) codes of conduct?
- Is there a need to further regulate lobbying (pro/contra and alternatives)?
- What would be the scope and key elements of regulations on lobbying?
- Is there a need for common standards throughout Europe?