Interest group strategies in multi-level Europe

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This article analyzes the political responses of French and Italian business associations to Economic and Monetary Union (EMU) in the EU. I propose and test the empirical relevance of a multi-level lobbying model for multi-tiered systems, a model assumed by, but never systematically examined in, the pluralism literature. Data for this ten-sector cross-national panel study come from personal interviews with the presidents of French and Italian business associations. The interviews were held at the beginning and the end of the euro implementation process. The research shows that organized groups routinely overstep their territorial jurisdictions to lobby across multiple levels of government in multi-level Europe. The degree of state political decentralization is a statistically significant variable in explaining the choice of lobbying target. This ‘crucial comparative case study’ finds that, in adjusting to deeper economic integration, regional associations in France focus their energy on the central government, while Italian groups favor the regional government.

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Introduction

How do economic interests adjust to international economic integration? This question has been analyzed in many national and EU-level studies. Unfortunately, the literature on economic adjustment in Europe has, until recently, neglected the sub-national level, thereby overlooking an interesting and essential part of adjustment politics. This research project analyzes the political strategies of regional interest groups in the context of the EU’s economic and monetary union (EMU). The primary objective is to determine if political decentralization is a factor that helps to explain how interest groups respond to the profound challenge of European integration.

To answer this question I conduct a paired multi-sector comparison of French and Italian business associations. The investigation uses a ‘most similar case’ design; by conducting the research in similar regions, I ensure adequate control over alternative explanatory variables. The project is also designed as a ‘crucial case’ comparison. There is a relatively small difference in the degree of regional autonomy in Italy and France, which makes for a demanding test of the institutional approach. The analysis of the survey data provides support for the hypothesis that the territorial distribution of power has a significant effect on the strategies of regional interest groups.
Interest group patterns in multi-level Europe

The literature on interest groups and the EU is vast, and includes work on the evolution of interest representation at the national level and in Brussels (Mazey and Richardson, 1993; Kohler-Koch, 1994; Traxler and Schmitter, 1995; Pollack, 1997; Greenwood and Aspinwall, 1998; Talani, 2000; Verdun, 2000; Walsh, 2000; Greenwood, 2003). Europe’s changing architecture poses important questions about the evolution of interest articulation in multi-tiered polities (Streeck and Schmitter, 1991; Cowles et al., 2001; Hooghe and Marks, 2001, 2003; Grote and Lang, 2003; Streeck et al., 2006). Research shows that state and non-state actors use a variety of sub-national, national and supranational channels to influence EU policy (Greenwood et al., 1992; Marks, 1993; Ladrech, 1994; Constantelos, 1996, 2004; Bennett, 1997; Coen, 1997, 1998; Eising, 2004) and that multi-level policy networks are developing (Falkner, 2000; Bukowski et al., 2003).

The classic literature on pluralism highlighted the existence of multiple channels of influence in federal systems (Truman, 1951; Grodzins, 1967). Unfortunately, our ability to observe political behaviours across territorial levels of government is hampered by a tradition of interest group research that limits inquiry to single levels of analysis, even in pluralist and federal settings like the USA. So, for example, the activities of national groups are examined in the national capitals, and those of sub-national groups are examined in state and regional capitals. I favour a ‘multi-level lobbying model’ that breaks the implicit assumption that political games are played at discrete levels of analysis (Constantelos, 1996; see Figure 1). This opens the theoretical space of our inquiry and allows us to see if Europeanization is producing American-style pluralist patterns, familiar European-style patterns of corporatism and concertation, or a complex ‘Europeanized’ model containing elements of both (Greenwood et al., 1992; Mazey and Richardson, 1993; Traxler and Schmitter, 1995; Gorges, 1996).

Explaining interest group strategies

How, then, do economic interests choose their political strategies in multi-level Europe? To whom do they turn, and how do we explain the logic of their responses? Business owners and corporations have several options when facing international economic change. They may stick to proven strategies when faced with new challenges like market liberalization and integration, or they may change any number of internal or external business strategies. They may also attempt to improve their competitive position in an integrated market by influencing public policy. A political strategy may be pursued independently or collectively. Firms and interest groups must decide which resources to expend, and how to optimize their allocation.

Interest groups may attempt to influence policy by using pressure tactics such as public relations campaigns and demonstrations, as French farmers’ groups have so frequently done. They can also lobby government at any number of levels, from supranational to communal. Interest groups may ‘shop around’ to find the venue that offers the highest return on investment, or to reduce risk through diversification (Mazey and Richardson, 2001). However, there are collective action problems (Olson, 1965) and financial, cultural and institutional constraints to ‘shopping’ that may limit its prevalence. The decision of groups to choose a ‘national route’ or a ‘Brussels strategy’ (Greenwood, 2003) depends on many factors, including: type of association, resource endowments, type of issue, decision-making stage, domestic government and politics and international relations (Kohler-Koch, 1994; Constantelos, 1996; Bennett, 1997; Coen, 1997, 1998; Greenwood and Aspinwall, 1998; Coen and Dannreuther, 2003; Greenwood, 2003).

The gradual transfer of political, administrative and fiscal authority in Europe to the
supranational and sub-national levels suggests that institutional factors may have an important role in shaping interest group strategies. The degree of political decentralization, in particular, may determine political opportunities and the flow of resources. It is obvious to interest groups in unitary Portugal and Greece that the political game is played in Lisbon and Athens, whereas in federal Germany, the länder control an important share of financial resources and decision-making power. National political developments and the availability of EU funding for regional programmes have strengthened the regional level of government in former unitary countries like France and Italy. This study is designed primarily to see if regional devolution has a significant effect on the adjustment strategies of organized economic interests.

Research design and methodology

The project is a ‘crucial comparative case study’ of the political responses to European economic and monetary integration, in a ‘most similar case’ comparison of French and Italian economic interest groups. Going beyond an established tradition of using France and Italy as ‘most similar cases’, I select similar groups in similar regions as cases. This design offers an unusually high degree of control over alternative explanatory factors. Meanwhile, there is also limited variation in the independent variable, to make this a ‘crucial’ test (Eckstein, 1975). The principal question is whether political decentralization has a significant effect on interest group strategies. If the effect is observable in this test, we should expect decentralization to be statistically significant where there is greater variation in the explanatory variable.

Explanatory variable: political decentralization

Many government functions and resources were transferred from Paris and Rome to the regional level in the 1970s and 1980s. These regions have primary responsibility for regional economic development and planning, and they have an important role in numerous economic activities, including agriculture, tourism, business development, transportation and job training (Nanetti, 1988; Schmidt, 1990; Leonardi and Nanetti, 1990; Muret and Peyré, 1992). Appendix 1 provides a summary.
comparison of the main responsibilities of regional governments in the two countries.

While both France and Italy lie between the unitary and federal poles in measures of the territorial distribution of power, Italy is the more decentralized polity of the two, based on a variety of constitutional, administrative and fiscal measures (Constantelos, 1996; Bullman, 1997). Italy’s constitutional reform of 2001, which granted the regions residual powers not delegated to the state, and recognized the regions’ concurrent powers in EU relations, greatly strengthened the authority and ability of the Italian regions to adjust to European developments (Amoretti, 2002).2

Financial devolution is also more pronounced in Italy than in France. A widely used indicator is the sub-national control of financial resources. Table 1 shows that the sub-national share of government spending and revenue is higher in Italy than France, and that the difference between the two countries, while not great, is growing.3 If variations in political patterns can be attributed to the relatively minor institutional differences between the two countries, the institutional approach will have passed a rather demanding test.

### Regions

Two border regions with numerous economic, political and cultural similarities are used for the cross-national comparison: Liguria, Italy and Provence-Alpes-Côte d’Azur (PACA), France. It would be difficult to find regions in two countries that are more alike in economic structure than Liguria and PACA. The two regions depend heavily on tourism and on their historic ports, Marseille and Genova. Their sectoral shares of agriculture, industry and services are nearly identical. This choice of cases allows us to control adequately for numerous alternative explanatory variables, including structure of the regional economy and integration in the national and European economies. The regions also share a cultural and political history: Italian family names abound in PACA, while Liguria has experienced direct French political control on multiple occasions. The regions have had competitive elections; both left and right have had their turn running the regional governments. Liguria and PACA do not match up perfectly, of course (e.g. Liguria has no equivalent of the Front National), but we can hardly do better at this level of analysis.

### Sectors

The sectors were chosen roughly according to the overall importance of agriculture, industry and services in the regional economies. The sample includes agriculture as a single sector, along with three industrial sub-sectors (metal and machine products, chemicals and construction) and six service sub-sectors (commercial agents, tourism, freight forwarding, finance, business services and professional services). The leading business association in each sector was selected for this panel survey.

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2Italian enabling legislation was passed in 2003, after the survey was completed. Devolution also progressed in France after the interviews, with the 2003 constitutional reform and the 2004 decentralization act.

3Only one country falls between Italy and France when 38 countries are rank-ordered by the IMF’s measure of sub-central government expenditures as a percentage of total government expenditures (Rodden, 2004). Only two countries lie between Italy and France in a rank-ordered list of twenty-two countries when we compare sub-central government revenues as a percentage of total government revenues (Blochliger and King, 2006).
The impact of EMU varies considerably across the 10 sectors. There is a direct and significant effect of monetary integration on the tourism and banking sectors. In contrast, the effect of EMU on business services and professional services is low and largely indirect. Using multiple ‘most similar case’ comparisons provides an ’n’ large enough for statistical analyses and it reduces the risk of making erroneous generalizations from unrepresentative cases.

Dependent variable: interest group strategies

Interest group political response to European economic and monetary integration is the dependent variable of the analysis. I record the frequency of lobbying and of other political actions. Although the organizational charts of peak interest associations usually show a clear division in the responsibilities of the international, national, sub-national and local affiliates,

pluralist theory suggests that we would observe political activities across territorial levels of government for each of them. The basic assumption of the multi-level lobbying model is that international, national, regional and local interest groups may be politically active at any level of the govern-

ment. Though axiomatic to pluralist theory, this assumption is rarely tested. Multi-level and cross-territorial lobbying activities would mark a departure from traditional European interest group patterns, and the possible development of ‘transnational pluralism’ (Streeck and Schmitter, 1991) in multi-level Europe (Hooghe and Marks, 2001).

The defined timetable and high visibility of EMU makes it an ideal event to bring interest group patterns to light. The interviews were conducted in May 1998, 6 months before the introduction of the single currency, and again in May–June 2002, shortly after the euro was fully implemented. The survey had two parts. The first part consisted of personal interviews with the presidents of the business associations. Interest group officials responded to a series of open-ended questions on the impact of economic and monetary unification on the association and its members. The presidents also completed a written questionnaire that included closed-ended questions about the association, the projected impact of monetary integration, and the political activities of the interest groups.

Hypotheses

The null hypothesis is that we would expect to find no differences in the strategies of French and Italian interest groups paired by economic sector. The null hypothesis will be rejected if we find statistically significant differences in the strategies of the paired interest groups. The alternative hypothesis is that adjustment strategies depend on the degree of political decentralization of the state. Greater regional autonomy increases the variety and number of resources and policy instruments available locally, and it places government officials closer to regional interest associations. Therefore, greater regional autonomy should lower the costs and increase the expected payoffs of lobbying the regional government, other things being equal. I test the hypothesis that greater decentralization is associated with a higher frequency of choosing a sub-national

4Italy’s main employers’ association, Confindustria, has a typical organizational model. Functional responsibilities are clearly demarcated by organizational unit and the targeted level of political activity. National-level associations are responsible for national affairs, while regional and provincial associations have responsibility for matters in their respective jurisdictions. Confindustria’s national office and the national sectoral associations also have consultative roles on most local and regional matters. The opposite direction is a different matter. On national issues, the local territorial and regional associations have no competence whatsoever, not even consultative (Confindustria, 1988). In this organizational structure, we would not expect lower level units to act independently in the national capital. Instead, regional and local concerns would be conveyed to national policymakers through national associational channels. In the ‘Relations with the Political World’ section of its statute, the Industrial Association of Genoa states that its role is to convey, ‘...the problems of local industry to political authorities, local government, etc. and, through Confindustria [my italics], to Ministries and Government’.
government as a lobbying target. I also test the hypothesis that the frequency of regional government lobbying relative to central government lobbying will increase with greater state decentralization. Finally, I hypothesize that interest groups will engage in ‘multi-level lobbying’ in adjusting to European economic integration.

This is not to say that political institutions are the only, or even the central, part of the story, or that they operate outside of the larger set of socio-economic structural constraints. Putnam et al. (1993) show conclusively that the identical political institution (Italian regional government) performs very differently in diverse settings. And certainly, political institutions do not operate in a mechanistic or deterministic fashion. Rather, institutions are conceived of as resources that can be exploited by political actors with varying degrees of success, depending on numerous social, political and economic factors. As an initial step towards a fuller, multivariate analysis, we control for these other factors and focus on the independent effect of the institutional variable.

Before moving to the quantitative analysis, in the next section of the paper, I review business reactions to EMU in the capitals and in the case study regions.

**Business reactions to EMU**

**France**

French business groups generally supported the euro. Jean Gandois, the president of the Conseil National du Patronat Français (CNPF, later MEDEF), France’s leading employers’ association, rejoiced that the British, Italians and Spanish would no longer play ‘the politics of devaluation’ (Extel Examiner, 20 March, 1996). CNPF hoped for greater interest rate stability, leading to lower interest rates (Le Monde, 26 November, 1996). The Patronat, however, criticized harshly the deficit reduction policies of the Jospin government, accusing it of passing the costs of deficit reduction entirely on to business. It argued that new taxes and the promised 35 hour work week would effectively undercut the ability of French businesses to compete with their European counterparts (Le Monde, 23 July, 1997; Agence France Press, 17 October, 1997). Although generally more cautious about economic integration, the association of medium and small enterprises, CGPME, also expressed support for the euro. They were optimistic that EMU would allow firms easier access to European markets, but they also worried that monetary unification could have adverse effects if France maintained higher tax rates than its competitors (Le Monde, 26 November, 1996).

In PACA, none of the business groups—not even the bankers—were concerned about the initial costs of converting to the euro. The French business groups were generally optimistic about the euro, even though seven of the ten groups did not believe it would have a significant effect on revenues. The tourism association favoured the single currency—‘it should be a good thing’—believing that it would produce a general increase in business and holiday travel to the Riviera (interview, 28 May, 1998). The chemicals association president was even more enthusiastic—the euro will be ‘very good for member firms’, he proclaimed (interview, 28 May, 1998). The chemicals association, the agriculture association and the banking group all said that they favoured monetary integration because it would mean the end of competitive devaluations by Spain and Italy. The primary concern raised in PACA about EMU was in regard to the high cost of social wages in France, and the consequent disadvantage of French firms in competing with firms from countries with lower taxes and benefits. This problem was emphasized by the highly labour-intensive construction sector, but it was also raised by representatives of the capital-intensive chemical industry (interviews, May 1998).

**Italy**

Italians have been enthusiastic backers of most EU initiatives, and this was also the case with
EMU. Despite the strong public support, Italy’s entry into the euro zone was assured only with the extraordinary efforts of Romano Prodi, who led a ‘Herculean effort’ to reduce Italy’s deficits by skilfully brokering budget compromises among coalition partners, trade unions and the Refounded Communist Party (Dyson and Featherstone, 1996; Sbragia, 2001; Fabbrini and Piattioni, 2002; Radaelli, 2002). The Italian business community offered its conditional support of EMU. The public criticisms of Confindustria, Italy’s dominant business association, focused not on the euro, per se, the benefits of which were acknowledged, but on the government’s choice of finance reform policies that accompanied EMU. Confindustria’s leadership attacked the government for its imposition of new business taxes, its inadequate measures on pension reform, and its concessions to the communists, particularly the promise of a 35 hour work week (Il Sole 24 Ore, 15 April, 1998).

Business leaders in Liguria were generally supportive of monetary integration. They had certain reservations, however, and there was widespread concern about the sluggish national and local economies and the future of Genoa’s large and unprofitable public firms, like Ansaldo and Fincantieri. Local industrialists echoed the concerns of Confindustria in Rome. Riccardo Garrone, the president of the Industrial Association of Genoa, insisted that basic structural reforms were essential for Italy to ‘enter Europe with dignity’ (Genova Industria, March–April 1998). Despite a widely shared sentiment of uncertainty and inadequate preparation, several business associations were optimistic about EMU. The commercial agents, for example believed that Italian firms, long accustomed to an uncertain business environment, easily adapt to such changes. They were ‘sufficiently optimistic’ about the single currency, especially because of the expected reduction in inflation rates (interview, June 1998). Tourism officials, too, were pleased with the euro, believing that it would stimulate European travel. They were concerned, however, that Italy would no longer be able to devalue its currency to obtain a competitive advantage on prices (interviews, June 1998 and May 2002). Other associations were worried about price transparency (chemicals) and Italy’s inability to compete in a more integrated European market. The various reasons for this were the traditional complaints of business in Italy: high taxes (freight forwarding and tourism), high labor costs (tourism), costly regulations (chemicals and freight forwarding) and the inflexibility of the labour market (machinery). The banking sector was directly affected by monetary integration, and in Liguria the apprehension of the finance association was understandable. Italy’s banking sector has been called, ‘... inefficient ... small and fragmented’ (Economist, 8 November, 1997), and this was especially true in Liguria. Representatives of the sector expected to suffer losses because EMU made cheaper foreign credit more accessible. The Ligurian banks were completely unprepared for the rapid consolidation and heightened competition in the sector, and had not even carried out their own analyses of the euro’s local impact. Nine of the ten groups reported that EMU would not affect the income of their members (interviews, June 1998 and May 2002).

**The political strategies of business associations**

Given their general agreement with the national associations on the merits of EMU, and the expectation of a minimal economic impact, we would not predict a robust political response from the regional interest groups. Furthermore, organizational dictates and the benefits of free-riding could lead regional and local groups to rely on their parent associations for national and EU lobbying. This section reports on how regional and local interest groups responded to EMU and on their political strategies on European issues. It examines, in particular, the prevalence of cross-territorial and multi-level lobbying, and it reports on a statistical test of the decentralization variable.
Political actions on EU issues

The majority of business associations reported that they did not take specific political actions in response to the introduction of the single currency. Rather, they responded with technical training programmes, investment in infrastructure and information campaigns regarding the euro. On the more general question of their political strategies in Europe, they indicated that they did use a wide variety of direct and indirect actions (see Table 2). The presidents were asked: ‘On European matters (e.g. regulations, competition, financial aids, etc.), which channels do you use to propose, support or oppose a decree, a law or an administrative act? Coding: 4 = often, 3 = occasionally, 2 = rarely, 1 = never.

Government lobbying

The survey reveals that groups have regular contacts with national and EU policymakers on EU issues. Local interest groups do not always leave national and European political matters in the hands of their parent associations in Paris and Rome, or their European confederations in Brussels. Several Italian groups reported that the availability of EU regional development funding was a leading reason for their contacts with European officials. The survey also shows that the communal and provincial channels are used infrequently. Italians had higher rates of lobbying than the French at almost every level. Regional groups in France target the central government most frequently, while the favourite lobbying channel of the Italians for European issues is the regional government. It is interesting, also, that in Italy there was a large and statistically significant increase in regional lobbying from 1998 to 2002, which may reflect the process of political decentralization in Italy. The Italian regions have an important role in developing and administering the EU structural and regional development programmes. Liguria benefits from EU funding for a large number of programmes, including the Objective 2

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<th>Table 2. Lobbying targets and other political channels and activities of PACA and Liguria business associations (mean values reported)</th>
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Question: on European affairs (e.g. regulations, competition, financial aids, etc.), which channels do you use to propose, support or oppose a decree, a law or an administrative act? Coding: 4 = often, 3 = occasionally, 2 = rarely, 1 = never.

Consistent with the findings of earlier research (LaPalombara, 1964; Wilson, 1987), the survey indicates that the interest groups use a wide variety of political actions to influence public policy. Predictably, the business groups rely heavily on their national associations and confederations when dealing with EU issues. They also engage in direct lobbying across all levels of government, public relations campaigns (especially in Italy), legal actions and demonstrations. Traditional political party channels in Italy were fundamentally reordered after Tangentopoli and the disappearance of key parties like the Christian Democrats and Socialists. Nevertheless, Italian business associations continue to see political parties as important channels for influencing policy, while parties are less important conduits in France.
regional development programme and the community-wide employment programmes. PACA also is the home of a wide range of EU programmes, however French regional authorities are somewhat less empowered than their Italian counterparts. The differences between the lobbying strategies of French and Italian interest groups become sharper when they are examined in paired comparisons. Figure 2 provides a graphic display of central government lobbying in 2002. There is no evident pattern: French scores are higher than Italian scores in three sectors, lower in four sectors, and equal in three sectors. Figure 3 shows lobbying at the regional level, where there is a notable difference between countries. The Italian scores are higher than the French scores in nine sectors, and lower only for the finance sector. These results provide empirical support for the hypothesis that regional devolution matters. A more rigorous statistical test will tell us whether the result is statistically significant.

Figure 2. Central government lobbying 2002.

Does decentralization matter? A statistical test of the institutional variable

We can test the null hypothesis, that there is no statistically significant difference in the strategies of interest groups paired by sector, by using a t-test of the mean difference between French and Italian interest groups in their frequency of lobbying at different levels of government. An alternative hypothesis is that Italian interest groups lobby the regional government more frequently than the French. A second alternative hypothesis, and the most important for understanding the strategic choices of interest groups, is that the frequency of lobbying at the central government level compared with the regional government level will be higher in France than in Italy.

To conduct the t-tests, a mean score of lobbying frequency at the central and regional levels is calculated for each interest group. The relationship between central and regional
Figure 3. Regional government lobbying 2002.

Figure 4. Directional lobbying index 2002.
government lobbying is calculated as an index by subtracting the regional lobbying score from the central government lobbying score. This is depicted graphically in Figure 4. All of the differences in scores are calculated by subtracting Italian scores from French scores. Thus, under the alternative, institutional, hypothesis we would expect to find a negative mean difference for regional level lobbying and a positive difference for the directional index of central-to-regional lobbying.

Table 3 presents the results of the t-tests. There is no cross-national difference in lobbying frequency at the central government. By contrast, we can reject the null hypothesis (at the 0.05 level in a 2-tailed test) that there is no statistically significant difference between the paired interest groups for lobbying frequency at the regional level. We can also reject the null hypothesis that there is no difference between France and Italy in the ‘directional index’ that measures the relative frequency of central-to-regional government lobbying.

Multi-level lobbying

Do interest groups engage in multi-level lobbying? This is a fairly straightforward empirical test. A definition of multi-level lobbying could be, ‘lobbying at more than one governmental level’. This, however, would not be a meaningful test of the multi-level lobbying model. Regional interest groups are frequently the lowest level associational unit, and therefore they have responsibility for public affairs at the regional, provincial and local levels. Therefore, as an alternative and more demanding operational definition, we can say that multi-level lobbying occurs when groups are politically active at multiple levels, including at least one level for which they do not have primary competence. Using this definition, every Italian group and eight of the ten French groups reported engaging in multi-level lobbying.

Conclusion

The analysis leads to two major findings. The first conclusion is that regional economic actors do indeed attempt to influence public policy across the entire national and European territorial space. That interest groups pursue multiple channels of influence is not surprising, and it is consistent with pluralist theory. Governments at all levels have resources and policy instruments that affect political and economic outcomes. What is interesting about this finding is that interest groups engage in multi-level lobbying even when they have organizational affiliates at other territorial levels. Sub-national actors disregard their national associations’ organizational charts that restrict their political activities to the local geographical jurisdiction. Regional interest groups do make use of national and European associational channels on many EU issues, yet frequently they are also in direct contact with national and EU policymakers. Regional actors believe that their interests are not adequately represented by their peak associations, whose positions are the products of negotiation and compromise. Supplementary independent lobbying by the regional actors is seen as essential for securing their interests.

A second conclusion from the research is that the choice of lobbying target depends on political institutions—specifically, the formal distribution of power between the central and
sub-national levels of government. The difference in the degree of regional political autonomy in France and Italy is narrow, yet distinct. We would not necessarily have expected to observe an effect from this relatively minor institutional variation, let alone one that is statistically significant. Yet, the strategic choices of French and Italian regional interest groups do appear to be related to the territorial arrangements of government. Regional interest groups in France more frequently choose to lobby the central government, whereas their Italian counterparts have more frequent contacts at the regional level. Not only is there a statistically significant difference, but that difference has grown. Decentralization clearly matters in the pattern of interest articulation in multi-level political systems. We can presume that the relationship between political decentralization and lobbying strategies found in this ‘crucial’ comparative case study will also be observable in cases where there are more pronounced differences in the explanatory variable. The recent constitutional and legislative reforms that have taken France, Italy and other countries in the direction of even greater political decentralization will surely give us many new opportunities to conduct additional tests of this research finding.

Biographical note

John Constantelos is associate professor of political science at Grand Valley State University in Michigan. His research focuses on the domestic politics of international integration, particularly in the European Union.

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Appendix 1

Regional powers in France and Italy (2002)

France

- Further vocational training and apprenticeships: regional vocational training development plan; implementation of initial and further training schemes for young people and adults; apprenticeships.
- Education: creation, construction, maintenance and operation of high schools and establishments for specialist education.
- Planning, regional planning: preparation of the regional development and land use plan; state-region planning contract.
- School transport: regional plan; general interest links.
- Rail transport: regional passenger transport.
- Economic aid: direct aid (in accordance with EU rules); indirect aid for companies; stakeholding in regional development and regional financing companies.
- Town planning: regional nature reserves.
- Environment: environmental protection; heritage and sites board; listing of historical monuments; regional air quality plan; classification of regional nature reserves.
- Cultural affairs: regional archives, regional museums; protection of heritage and listing of monuments and artistic riches.

Italy

- The regions may adopt their own statute (Article 123 of the Constitution).
- Under Article 117 of the Constitution, the regions shall have (exclusive) legislative power with respect to any matters not expressly the preserve of state law (4) and not included in concurrent legislation.
- Article 117 lists a series of matters of concurrent legislation (the state shall only set fundamental principles (3)): regional international relations and relations with the European Union, foreign trade, job protection and industrial safety, education, scientific research, protection of health, food, sport, civil protection, town planning, civil ports and airports, development of cultural and environmental resources, large-scale transport and navigation networks, energy, complementary social security, etc.
- The regions, as well as the self-governing provinces of Trento and Bolzano, also have horizontal powers, which they can exercise in the matters within their remit, while respecting the procedural standards set by the state, which has the power of substitution (5):
  1. participation in decisions to establish Community instruments.
  2. implementation of international agreements and European Union instruments.
- At the request of Regions or self-governing Provinces, and with their remit, the government can appeal to the Court of Justice against Community instruments. It is obliged to do so if the State-Regions Conference demands it with an absolute majority of the regions and self-governing provinces (Article 5 Law 131/2003).
- The power to issue regulations shall be vested in the regions in respect of all matters not subject to exclusive state competence (Article 117(6) of the Constitution).
- Article 123 of the Constitution enables the regions to create a council of local authorities (consultative body).

Appendix 2

List of business associations

**Genoa/Liguria**

- Associazione Costruttori Edili
- Associazione Liberi Professionisti
- Associazione Spedizionieri Doganali
- Federazione Regionale Coltivatori Diretti
- Sezione Finanza, Associazione Industriale
- Sezione Industrie Meccaniche, Associazione Industriale
- Sezione Industrie Chimiche, Associazione Industriale
- Sezione Servizi Avanzati, Associazione Industriale
- Sindacato Agenti Rappresentanti (FNAARC)
- Unione Regionale Ligure Alberghi e Turismo (URLAT)

**Marseilles/PACA**

- Chambre d’Agriculture, PACA
- Chambre des Professions Libérales
- Chambre Professionnelle des Agents Commerciaux
- Chambre Syndicale des Industries Métallurgiques et Connexes des Bouches-Du-Rhone
- Chambre Ingénierie et Conseils de France
- Comite Régional des Banques de PACA
- Fédération Régionale du Bâtiment
- Syndicat des Transitaires de Marseille Fos et sa Région
- Syndicat Général des Industries Chimiques, PACA
- Union des Cafés, Hôtels et Restaurants des Bouches-du-Rhone