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# LOBBYING

**Strategies and techniques of intervention**

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# **LOBBYING**

**Strategies and techniques of  
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Frank J. FARNEL

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**LOBBYING**  
**Strategies and techniques of  
intervention**



*LES ÉDITIONS D'ORGANISATION*

ISBN: 2-7081-1639-8



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## Preface

If the word lobbying has been used for a very long time in France and in the world, the lobbyist trade, has not yet been recognized in our country as a profession in its own right, as in the USA, and also in other countries in want of economic powers. It has been rigged with many pejorative connotations because of the secrecy that seems to surround it. But it is important to understand that this activity is not only about the relations between interest groups and governments. In fact, it also concerns all the issues inherent to the social and economic life of France and therefore all her participants .

Lobbying is the activity which consists in influencing directly or indirectly any government action or decision. This profession has not yet been regulated in France, and it is desirable that legislators address this issue. Lobbying is indeed a very powerful weapon, which, if it is well used and performed in a professional manner, can provide the French and European enterprises with competitive advantages, both on the domestic and international markets.

The subject of this convenient and accessible book aims to present lobbying in a new light, to show that it should be a profession practiced by professional specialists, such as, for example, those who are responsible for the marketing and financial issues in any sort of organisation.

Everybody is prone to use certain LOBBYING TECHNIQUES in his or her daily activities. This job requires the ability to integrate many specialties, and the obligation to do so with both transparency and tolerance. If lobbying is to be regarded as a barometer of democracy, the real lobbyists should share a number of values which are based on respect for the human person and for the institutions in which they develop.

This is the price for the lobbyist to be recognized and respected in due regard of the interests he represents, bringing in this way his stone in the construction of a balanced democratic building.

## Introduction

*"The future (...) is always only a present time which must be organized. (...)  
You must not foresee it, but enable it to happen."  
Antoine de Saint-Exupéry*

In France today, we consider the place taken by lobbying in the communication world as normal. Thanks to this evolutionary transformation, this activity has become a polyvalent and multiple discipline.

Lobbying is the result of strategies and techniques which have been brought to light by the U.S. law on the reforming of the ethics of November 30, 1989<sup>1</sup> which amends the law on ethics and the elected passed in the USA in 1978<sup>2</sup>.

The growing problems related to the environment are also part of this form of organisation that implements different departments in the enterprises and the firms of consultants.

The lobbyist presents a manager new profile declined differently in many countries that the Europe of year 93 seeks to place within a legal framework.

According to Jacques Delors, in 10 years, 80% of the economic legislation shall be of community origin. Without waiting for year 2000<sup>3</sup>, when the business environment will be totally modified, Europe is being built today; some have understood this well and are participating actively to its edification. Others, who aren't doing anything, may suffer tomorrow from their own current wait-and-see policy.

While the major political decisions on Europe's edification have almost entirely been taken, the real issues lie at the level of the technical and practical discussions which change our commercial environment every day.

Therefore, the recent decision taken by the European Commission to forbid companies to use animals in safety testing create a number of adjustment problems for those who would have remained passive in face of this new regulation.

It is therefore important in a evolving Europe to master the decision-making process which can have an influence on policies and measures that are liable to determine our environment, and that can end up being a lever to for European companies to find a successful strategy. In this context, the role of Brussels and Strasbourg has been strengthened in recent years.

France did not fail to scare the other countries of the European Community when the British, Dutch, Germans and others have seen the interest that the French government had for the EU Single Market. They indeed feared to be overtaken by the French

But the scene has changed. The British businessmen, who seemed to have only a vague idea of the Single Market completion program, have led a major awareness and publicity campaign in 1988.

The presence of the British at Brussels and the growing number of Anglo-Saxon lobbyist firms set up in the capital of Europe demonstrate their great interest in European institutions.

At the end of 1988, the EC Committee of the American Chamber of Commerce in Brussels had 60 member companies. Today, there are 120, which commit lobbying officials to take their responsibility for their contacts with the European instances. The Japanese alone are represented by thirty offices. But the French are confined to Paris or to the Province. Brussels counts today only a dozen representatives of French companies - even if a larger number shuttle between Paris and Brussels.

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<sup>1</sup> Ethics Reform Act, November 30, 1989

<sup>2</sup> Ethics In Government Act, 1978

<sup>3</sup> Speech of July 6, 1988

This shows that many French companies miss opportunities which are yet available to them to direct the EU legislation and policies, simply because they are not on the battlefield and because they limit their attention for European affairs to irregular contacts with the French government. And this often through a trade association.

Lobbying has become a strategic tool for European companies because the changing processes that have created the Single Market imperatively need to change our general attitude for us to adapt to new market requirements.

If the lobbying comes from the Anglo-Saxon tradition, it is becoming an integral part of the development of the modern European Community.

---

**1st part**

**LOBBYING: ITS REALITIES**

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## WHAT IS LOBBYING

*"Useless laws impede on those that are necessary."*

Montesquieu

Lobbying is not a secret society, and even less a vision created by "technocrats" eager to gain publicity. It is a strategic force that can enable France, and by extension, Europe, to play at the dawn of the 21st Century, a major role, in the economic world in which we live.

The original term *lobby* comes from an expression of General Grant, president of the USA in the late nineteenth-century: after the fire that destroyed the first White House, the President, who was staying in a hotel complained about the presence of all the people who were waiting on the ground floor (lobby) to try to influence him. The word has remained.

Lobbying, a cornerstone of the American democracy, is a concept that dates back from the highest antiquity and to the traditions of the Greek civilization. In order nevertheless to understand the phenomenon well, we must return to the history of the construction of America.

Lobbying has been incorporated in the American spirit since the birth of the State, long before the 1789 Constitution which stipulated that lobbying is a right: "The Congress should not vote any law [...] which restricts freedom of expression or of the press, or the right of people to assemble peacefully and to submit a petition to the government to repair damage."

The Government of the USA is based on the principle of representation of interests and on the principle of balancing the three executive, legislative and judicial powers, but also on the right of non-government interests to take part in the implementation of legislation. We can therefore say that lobbying has led to the creation of the USA.

It is, contrary to popular belief, neither a doubtful activity, nor an affair of bribes, exotic gifts, free travels or, in a word, of corruption or influence peddling. Lobbying arises as a very powerful tool in the strategy of a modern society, of which it has followed evolution.

Lobbying in former days would be performed by a man with connections and contacts, who was able to meet decision-makers thanks to his personal relations. It was not a very sophisticated method, nevertheless often effective. Today, *daddy's* lobbying is dead because of the growing complexity of international affairs which require a different approach, all the while making room for a modern type of lobbying, which combines various disciplines and rigorous engineering, thus encouraging a change in the culture within companies.

In a political system like ours, it is in principle up to the political parties to convey and to find the right wording for government aspirations and for the wishes of the general public and of its various interest groups that make it up.

Under the pressure from many factors, different political parties have showed that they were unable to express these multiple needs. Some pressure groups have gradually developed and got organized to launch their own "lobbying" amid the leading power. In doing so, they have become, together with political parties, the main agents of political mediation.

An enterprise can intervene in *public authorities* (or government) for the same reasons as other organisations. Depending on the circumstances and according to the objectives it pursues, an enterprise can sometimes use pressure groups to which it belongs and sometimes its own services or those of specialized agencies if it does not intend to use all the means at a time. The lobbying strategies and tactics of enterprises are rarely immutable and established once and for all. They depend on many parameters and on their evolution: the characteristics of the enterprise, its management style and its business segment; attitudes and perceptions that prevail in its social and political environment in respect of enterprises in general and of the question who motivates its intervention particularly in leading public authorities, the status of the issue within the public administration, the distribution of skills on this topic between its various (national or European, legislative or regulatory) components; all these factors make up a set of many critical variables

that the company will have to take into account when identifying its strategic options, establishing targets and choosing the tactics which must be followed to influence the decision of the leading public authorities.

Like most observers, **we define lobbying as an activity which consists in carrying out interventions which should influence directly or indirectly any process of elaboration, application or interpretation of legislative measures, standards, rules and, more generally, any action or decision taken by the leading public authorities.**

Without going too far away from our goal, it should however be noted that the relations of an enterprise with the public authorities cannot be reduced to a single lobbying. This is only one aspect. The concept of pressure group has helped to maintain the perception that these relations are, most of the time, of a conflicting nature and essentially determined by force or influence. In fact, they often take the form of a collaboration based on the need for both parties to have access to objective information. To a large extent, the enterprise as a partner of the public authorities shall gain credibility especially depending on the quality and continuity of this collaboration. This variable credibility, established under other circumstances, shall subsequently affect the receptivity degree of arguments that are asserted when an enterprise wishes to promote its own interests. In other words, the lobbying activity of the company is all the more effective when it is part of a permanent relationship program amid the public authorities and goes far beyond the sole intermittent defence of specific interests.

Lobbying must create a greater competitiveness for businesses and therefore for the country, while harmonizing the relations between the State and enterprises as it defines programs more clearly, especially in being a champion in transparency. Better understanding and better management in order to anticipate better: this is part of lobbying philosophy.

We now live in three major economic pillars: United States/CEE (France) / Japan. These are three models of consumerism

which must imperatively be treated to play a leading role in the world economy concert. But the practice differs significantly going from one pillar to another. The EEC, which has become in the last few years a privileged field of economic investigation, now faces the danger posed by American and Japanese investors who do not hesitate to launch "assaults" in the opponent area, that is to say, far from their homeland. These two great countries expect anything except that European enterprises, and especially French ones, come to challenge them on their own ground and win. And yet the willingness to expatriate one's know-how and one's competitiveness to the "opponent" should be a priority of the EEC. This requires the official and systematic set up of businesses and interest groups in these countries which are yet deemed difficult to establish in.

The Amoco-Cadiz case should provoke thought. As long as the legal device was in France, nothing happened, the Americans did everything to minimize the story about it.

Thanks to a well-run lobbying and a vital willingness of the Briton local institutions to be successful, the whole set of operations happened in the USA, and there, against all odds, the American Civil Party understood the mechanisms and won in a very short time.

Hence the great interest in lobbying actions and the establishment of offices abroad held by French people who are bicultural, professional and able to assimilate all the legal and economic "tricks".

You can pass this step only after the strategic tool of lobbying has been perfectly integrated and developed by the French interest groups that shall discover that, in order to be effective, they must be present in key capitals such as Washington or Tokyo.

## WHO IS THE LOBBYIST?

To be a lobbyist is a real trade today, is taught in the best American universities (mainly at Georgetown<sup>4</sup> University in Washington, DC), and it deals with relations between the States and different enterprises up to the PhD level<sup>5</sup>. This instruction is provided by luminaries who are recognized worldwide such as John Kline and Theodore Moran.

Attached to the general direction of the enterprise, the lobbyist, more commonly known as the "Corporate Affairs" in organisations, is also responsible for conveying the company's image. He may, in some cases, replace the CEO (for whom he is a special and privileged advisor).

Several countries in the European Community have already integrated the trade. In France, the development of the lobbyist profession has become a necessary priority. Recognizing the important strategic issue, many enterprises have set up this new department which deals with all the development that is even liable to affect the specific business results to some extent. Therefore, one third of the working time of a lobbyist is spent on the task to perform public relations within the framework of his activities.

The lobbyist must above all have a great sense of ethics. This profession is heavily regulated across the Atlantic, but in Europe there is still a long way to go before a code of ethics is adopted. So in the absence of text, the French lobbyist must in some sense precede the law and behave as American lobbyists do to face any legal matter.

As things are, the French lobbyist must know the legislative obligations that are forced on the Congressmen and on the other centers of power perfectly well, this imperatively implies that he should assimilate and apply them. This type of ethical behavior shall enable a French set of laws on lobbying to come, in an efficient way, close to the rules of ethics that have proved their effectiveness, such as those that exist in the USA and have been reviewed in this country under the 1991 Act. This means that, in practice, the French lobbyist should comply with the rules governing the function of a Congressman when intervening on behalf of interest groups.

For example, upon acting as a mediator, he shall integrate the rules which are included in the General Counsel Code of Ethics.

This list is not exhaustive but it demonstrates the need in France and Europe, to codify this profession.

In France, it is customary to develop terms around the new communication trades that have not yet been integrated in the business world. For example, the "public relations" profession, following the extension of its areas of intervention, was promoted in a few years to "Communication Director." This naming was established in France by the *Expression d'Entreprise*. So you can of course ask the question, given the changes in the communication world, whether the lobbyist shall not tomorrow be regarded in France as a super "Communication Director."

It is in this vein that the changing role of a communicator is being challenged.

This evolution has resulted in the introduction of new terms which are increasingly being used in Europe<sup>6</sup>:

-- Corporate Affairs: integrates the Public Affairs and programs policies at the corporate level of the enterprise.

-- Public Affairs:

- program formulation policy for the public and stakeholders.

<sup>4</sup> This is the equivalent of the Ecole Nationale d'Administration in the USA.

<sup>5</sup> The core program is entitled: "Master of Science in Foreign Service" and received every year a selection of up to 60 students, within the Ecole d'Affaires Etrangères (School of Foreign Service).

<sup>6</sup> See the glossary at the end of this book for the precise definition of these terms.

- corporate account of the impact of the political and social development on an enterprise's programs and its contacts with opinion leaders.
- "Government Relations" (Government relations) or "Governmental Affairs" (Government Affairs).

Public Relations consist in the planned and continuous effort to establish a dialogue between the public and an enterprise to come to a mutual agreement. These press relations must provide the media with information of the corporate type on a regular basis.

The generic term "publicity" covers all the promotional operations that relate to the marketing of a product or service.

The Corporate Communication aims to create an understanding, a "goodwill" ("good corporate citizen") and a knowledge of the products and services. It should not be confused with propaganda in any way.

During the post-war period, three major elements justify the professional lobbying.

Firstly, the interdependence between the economy and social issues. History has been marked by very violent examples of this interdependence in the form of crises which are still vivid in our memories: the chemical pollution of the Rhine has affected border countries, acid rains have rotten everything throughout Europe, and so on. Today, this interdependence has been well established.

The second great movement relates to the transparency of information, because information is power. Our societies are for ever in search of freedom of expression, more knowledge and communication. These elements are often taken into account by international organisations in order to judge the degree of democracy in a country.

There now are laws on information that vary from one country to another, and are in constant evolution. They set out the rules which must be followed. In corporate communication, they concern the access to financial results and evolution plans. The laws on information must determine the language and terms used in financial reports, corporate press releases, corporate inclusions, corporate advertisements, and even lobbying.

Third force: the philosophy of balance. A dozen years ago, responsibility relied upon "making profits at any price." Today the answer would be: "give and balance the various interests of all the stakeholders".

The professional lobbyist will be able to integrate all these new data for the interest group he represents.

In his book, Bernard Le Grelle defines the five golden rules of lobbying "20% law, 20% policy, 20% economy, 20% diplomacy and 20% communication"<sup>7</sup>. Although this well balanced cocktail does not guarantee the success of lobbying, it yet underlines the lobbyist's obligation to be polyvalent and multiple-disciplinary, i.e. not only must he be familiar with the various sciences related to the cases he is dealing with, but he should also be able to interconnect these sciences to achieve the desired result. In this way his role as a communicator changes completely as it takes a new dimension. A question can therefore be raised as to whether the vote by the Single European Act has not accelerated this transformation.

The process of building a single market in Europe has certainly shown itself to be a powerful factor liable to change a function or even a position, at least as comparatively as it is usually conceived and organized in most French organisations.

But the European phenomenon is not the main source of change and, as regards this change, the edification of Europe is not what seems to constitute its most fundamental factor. The societal trends that affect the social, economic and political life of enterprises in all the developed economies represent the true origin of changes in the communicator trade. The integration of domestic enterprises within a single market should certainly not be overlooked, but it ultimately contributes to accelerate the pace.

---

<sup>7</sup> Bernard Le Grelle, *Profession Lobbyman*, Hachette, Paris, 1987

Over twenty years and with the birth of Greenpeace, the ecological movement began to coalesce in Canada and not in Europe. Also, the process of enterprise diversification was first initiated in the USA in the 1970s, and then trade was refocused there in the 1980s, and not in Europe. It is moreover in the USA that they have been formalized the rights of local communities to be informed on the risks they are running because of companies operating on their territory.

In addition, the edification of Europe is not specific as to where financial market globalization occurred, or where Tokyo raised into question the financial leadership of Wall Street and the City whose most intense competition enterprises are now facing to ensure their financing. The same finding goes as to what regards the development of moral concerns and the constraints they impose on companies with respect to ethics.

All these developments which are not specific to Europe affect the communication function of enterprises and their main impact on communications have a certain influence on the communicator trade (and this explains that the lobbyist is liable to force his way in this environment) at three levels: at the content and substance of this trade, in its scope and at length in its role which is turning out to be more and more strategic.

To say that the environment within which enterprises operate has become increasingly complex and increasingly demanding is perhaps trivial. One must however start out from this triviality in order to illustrate the relevant implications in terms of communication. We may indeed note that the many changes in the enterprise environment are causing new societal aspirations. These aspirations are however forcing companies to change their management process for two reasons.

Firstly, enterprises have become the object of pressures or demands from all the components of a social structure driven by many motives. Whatever these motives, be they mercantile or ideological, cultural or ethnic, moral or political, technical or ecological, they give birth and develop different pressures from social and political groups which exert constraints on enterprises and enterprise management. The latter must now account for complaints and take responsibilities whose number and nature go beyond the functions for which they were initially designed and structured. As the enterprise trade always consists in combining production factors in order to produce in an efficient way goods and services which are required by a market, the enterprise shall believe that their mission does not confine to the management of these parameters only.

The enterprise has become the subject of social change. It intervenes in affairs initiated by public authorities for the same purposes as other organisations.

Depending on the circumstances and according to the objectives it sets out to pursue, an enterprise uses the pressures by which it is being targeted so as to force itself to change, whatever the nature of its activities, its management methods in the aim at including other concerns than having a strictly economic purpose. It is then up to its managers to implement the mechanisms for identifying the aspirations of many organized and complex groups in order to consider as soon as possible the obstacles and opportunities that their behavior is likely to generate. This shall be strongly related to the performance or yet the survival of their enterprise. In order to achieve this and by analogy to what is already being done in technology management or risk management, enterprises are acquiring a social and political watch process or yet a stakes management method ( "management issues " ).

The need for enterprises to meet the aspirations of their respective environment components is not the only constraint arising from changes that have been affecting our societies. The relations that enterprises have with the different components of their social, economic and political environment are not just passive or reactive. Enterprises are themselves "environment changers" in the broadest sense. In other words, they are not only subject to social change, they are also one of the main agents. In most cases, the decision of their managers have many social, moral and political implications. Unless you are already fully convinced, simply consider the

implications some of the production or consumption processes on both the ecological level and on the health and safety of individuals.

The same remark goes for technological change. In addition to their impact on management styles, major innovations are the source of changes in the social organisation, behavior or training of workers. Economic streamlining operations have for their part an impact on employment and on the welfare of the concerned communities while some financial or commercial practices sometimes raise questions of morality and ethics. In order to avoid losing all or part of their legitimacy within a social structure which is becoming more and more aware of these public policy issues, enterprises must be able to anticipate the reactions that their decisions or behaviors are likely to create. They have no other choice, therefore, to integrate these dimensions into their public management system and to involve groups who believe, rightly or wrongly, that they are the stakeholders of their decision-making process.

At the risk of being disowned and convicted, they are required to be socially responsible and to behave as a good corporate citizen.

Whether they are either the subject or the initiator of the changes that affect society, corporate managers are forced to interact more frequently with each component of their environment. They are also compelled to expand the scope and content for interlocutors whose rationality differs from that which they have been trained for and accustomed to.

Such changes call for new needs. Since it is in principle inherent to the communication or public relations function, as its name suggests, to establish, identify and manage such relations, the contents of this trade is on its way to undergo considerable changes. Harold Burson, chairman and founder of Burson-Marsteller, has distinguished three main stages in the evolution of the communicator trade.

In a first phase, the task of the lobbyist was to assist enterprises and organisations managers to guide them in how to express their messages. This is the pure communication phase or "how to say"? phase.

Managers concern themselves with audience identification and with the content of their messages but they rely on communication specialists to formulate them and ensure their broadcast.

The next phase consisted in using communication professionals to identify increasingly number of groups to whom many enterprises must justify or explain their decisions. This is the "what to say and to whom?" phase.

At this stage, the communicator can no longer stick to his communication technology control only, because he must in addition and in advance detect and interpret the social reality in the light of the objectives and mission that the enterprise has set out to accomplish.

In a third and final phase, managers expect that communicators or public relation officers should contribute directly to achieve their goals. It is not only a question of communicating but also of participating in the action. This is the phase which we have reached. It implies that the communicator, given the pressures that arise within the enterprise, is able to provide his managers, alone or with other specialists, with answers to the "what-should I do?" question in order to increase the market share, level of profits, share price and employee productivity, and to influence the government, to handle the "crisis", in short, to ensure the growth and survival of the enterprise.

Such a development of business needs, apprehended through this schematic representation set out in three stages, is a real transformation in this global communication trade. The lobbyist function is now closer to what the Americans define as *Public Affairs* which, rendered in French, unfortunately has another meaning because that is what it is. This is up to the lobbyist trade to manage not only relations but also the "business" that an enterprise is increasingly required to maintain and develop with all its different publics.

The communication function must adapt to the pressure of changes that affect the enterprise business environment.

It would be presumptuous, and in any event inappropriate in the context in which we live today, to proceed with the identification of all the changes to which the enterprise and communication function are subjected. Three major categories of them, however, deserve a special attention. The first one concerns the economic field; the second, the political and public power field and the last, the risks associated with the enterprises production operations.

On the economic front, three phenomena arouse our interest.

The first one which is trade globalization, has entailed an intensification of competition on all the markets including the financial markets. This competition has brought enterprises to set up many restructuring operations and to dismantle fully or partially already existing production units.

The second noteworthy phenomenon is the relative saturation of some markets in most industrialized countries. Given the levels of development which they have reached and the weakness of their demographic growth and the aging of their population, a growing number of products and markets have reached maturity. The expansion strategy of enterprises set up in these sectors no longer resort to the growth of demand, which is obvious, but to acquisition operations within their market.

Thirdly and lastly, the erosion of brand loyalty, the growing power of distribution networks along manufacturers as well as market segmentation cause strategies and marketing techniques to change.

In these three cases, the communications function tends to become modified and to play an increasingly dominant role.

The development of competition in the financial markets requires the implementation of systematic communication programs with all the segments of the financial community. The aim is to sustain the share price to its current maximum, knowing that a high share price is likely to facilitate the investment of a new possible emission, to promote an acquisition by an exchange of securities or yet to discourage any undesirable acquisition. The share value depends on many factors: the anticipated performance of the company and its potential growth in the medium and long term through its strategy, its strengths, weaknesses and management team qualities. Therefore, the implementation of programs requires from communication official that they have sufficient knowledge of financial analysis methods and of financial markets operation modes. It also assumes that they should be familiar with the situation of the enterprise, its strategy and guidelines, all things involving a close collaboration and frequent contacts with the general direction of the enterprise.

Concerning restructuring operations, they may by their very nature destabilize the relations between the enterprise and most of its partners. This is the case for the relations that the enterprise maintains with governments or community authorities knowing that such operations undergo the provisions regulating competition and coalitions.

This can be illustrated by the difficulties the Aerospatiale Company has had to face in dealing with their relations with the European Community since their attempt to purchase the Canadian manufacturer De Haviland.

Operations of this kind are also likely to jeopardize the stability of the relations between the enterprise and its staff. This may lead either to interpret restructuring operations as a threat to job security, or to a change in the organisational culture and values that were previously inherent to "the" company. As for investors and stakeholders, a merger or divestiture is a source, in many cases, of uncertainty, confusion or ignorance. The new corporate identity, its corporate mission and objectives, its strategy and growth prospects are all of them questions that require answers. The same goes, or almost, for distributors and consumers whose natural reflex is to wonder if the new entity shall remain as reliable and whether the potential of the "restructured" enterprise will live up to its previous one.

In other words the image of the firm, its positioning and many other characteristics, including the image of its leaders, may be affected positively or negatively: this all depends on

whether the restructuring objectives, means, methods and modalities have been communicated adequately, both inside and outside the enterprise.

As the enterprise leader is the architect of any restructuring, the repositioning of the "restructured" enterprise implies that its mission be defined again. This operation requires once again a close collaboration between those who are responsible for communication and the senior management.

The holder of the communication function must be increasingly involved in making strategic decisions and participate actively in the formulation of a new corporate vision.

Concerning at last the economic aspect, some mutations also affect the marketing of products. These amendments are characterized by a shift of resources devoted to advertising, namely to promotion operations, sponsorships and special events. In the USA, the funds devoted to the expenses of promotion and sponsorships now represent three times those allocated to advertising.

These changes are characterized by an increasingly frequent association with corporate marketing so as to promote the profile and the image of the enterprise as a social entity. This development leads the entire private sector to be more and more implied in the arts and culture, training, education and also in health and community activities. Even within the enterprise, it evolves to a greater interdependence and integration of marketing and communication functions as well as to fitting institutional and corporate messages into the brand advertising messages, and vice versa.

Some changes also affect other sectors of the enterprise social and political environment, in particular those concerning the process of formulating public policies and public perceptions with regard to the risks that are associated with the operation of modern companies. In both cases, and chosen as example, the function of communicator is once again strongly influenced.

On the political front, we are witnessing a transformation of both the development structures and process of decision-making on the public policy level. An increasingly important portion of the constraints, regulations and other provisions that national governments as much as community impose on organisations, emanates from the executive power in the form of regulations, orders, directives or discretionary interpretations of the administrative apparatus, much more than from the legislative power activity. The judiciary power and the different courts are increasingly called upon, especially at the European level, to participate in the public policy development by the means of their power of interpretation. This tends to happen so often that some business communities are now even having fears that a Government of Judges may be established. One last thing can also be said, namely that the process of elaborating public policies is simultaneously continuing to evolve towards greater openness and greater participation by groups on behalf of consultation.

Such processes provide the various parties involved with greater opportunities to promote their own interests through lobbying activities. For example, take the consultations that were held under the chairmanship of Antoine Riboud about the treatment of packaging and containers.

In other sectors as in the case of tobacco, it is in contrary the lack of consultations which, on the French scene, characterize the decision-making process. In such a case, the enterprise should assert its point of view directly with the executive power.

Therefore, as for other organisations, the enterprise works with the public authorities. Depending on the circumstances and according to the pursued objectives, the enterprise sometimes uses pressure groups to which it belongs, sometimes its own services or those of specialized agencies, or even all these means to promote its interests. The enterprise strategies and tactics of lobbying are rarely immutable and are established once and for all. They depend on many parameters.

The communicator is also on his way to become a lobbyist: a perfect symbiosis must exist between his responsibility for Public Affairs and Corporate Communication which he is in charge of. Contrary to what is said in France, the lobbyist is not a person who works with a full address book only. The European lobbying on the eve of the 1992 shows this. While the



"Republic of the Énarques" is coming to an end, lobbying which is supposed to be a constructive counter-power, has become public; but it's a full-time occupation whose basic skills are taught at the best universities in the U.S. pending that France proposes in turn an efficient education. But currently, this sort of instruction is still far from being developed. Only the CELSA, the Sorbonne, the FPI and some other organisations offer courses on lobbying.

The responsibilities of a lobbyist, within an enterprise, are the same as that of a marketing, finance or other director. This is a variable that the enterprise must take into account in drawing up its strategy. In this perspective, the relations of the enterprise with the government must be known and integrated into its strategic plan in the same way as for its other functions.

Upon reviewing the strategies and resources that are used in such occasions, for both the parties in favor of new interventions and their opponents, it is clear that the communication function, its multidimensional and multidisciplinary nature, as well as the impact of its operations on the enterprise results, all together play an important role.

Regarding the risks associated with production operations in a broad sense, we are witnessing, after the eclipse of the early 80's, a comeback of ecological concerns. The need to preserve our natural environment in a better way is therefore taking an increasingly importance in our society whose risks are growing all the time. Public awareness in this regard was first affirmed in the USA. The promulgation in several States of the right of communities to know the risks they are facing testifies this. The eco-audit system on which the European Community is currently working, although on a larger scale, also directs efforts to this same approach.

It is still in this area up to the communication function in the "Public Affairs" sense to first assess with the members of these communities their perception of the enterprise in order to then develop and implement the appropriate communication programs.

The design of these evaluations, the one of these programs, are based on methods derived from research undertaken by sociologists, psychologists and other experts in similar disciplines on risk perception. This research highlights the two parameters from which the public perceives the risks it is confronted to. The public always under-estimates risks when they seem to be under their own control or, in other words, when it is up to the public to assume any decision or not.

The second argument relates to the ability the public has to assess the risk, to quantify it and to somehow have a certain view of it from familiar elements in order to be completely aware of its implications. The fact that a person can catch a cold is an event which is part of his or her experience and with which he or she has a high degree of familiarity. The person will here thus once again tend to underestimate the risks which are associated to the fact of catching a cold.

Risk communication of environmental nature is essentially based on these two parameters whose identification is in itself the result of extensive research. This example illustrates the impact of the enterprise environmental changes on the more and more sophisticated techniques which the communicator must use.

What can we conclude about the impact of these environmental changes on the public affairs function?

In the first place and as we have already noted it, we find that these changes are reflected in a growing inter-penetration of the lobbyist function with other functions within the enterprise. If one considers the various operations that an enterprise is liable to undertake for the same reasons as its interventions in communication and that they are distributed in a classic flow chart in function of the main divisions involved in their implementation, we find that these operations swarm across the enterprise. Such a phenomenon does not develop without causing any organisational coordination problems. All the specialists who give priority to the uniformity and consistency of the enterprise operations and of its image, regardless of the target audiences, will find here enough material and arguments to focus on the communicator-lobbyist function.

Secondly, the communication function is tending towards a change in its methods and becoming more operative than ever before within the whole process of elaboration and implementation of the overall business strategy. While identifying the main factors to consider when formulating corporate strategy, Porter, the American guru of the corporate strategy,

believes that society aspiration, as reflected in public policies, social values and group behavior, is one of four pertinent factors. The path leading to the communication plan development, then to messages and activities arising therefrom, must be closely linked to the mission of the enterprise, its strategy and its objectives as an organisation.

The communication function is in itself a strategic function because it must, on the one hand, take into account all the dimensions of the growing interaction between business and society and, secondly, it must also ensure that all the segments which constitute the enterprise environment have access, hear and understand the same message(s), be they from the enterprise itself, its products or its different positions.

Thirdly and lastly, the exercise of responsibilities pertaining to the communication function requires that those who have to assume them should come closer to the ultimate center of the enterprise decisions to become an integral part of the corporate core, to what Galbraith called the "techno-structure" of the enterprise. This development reflects the need for the function holders to be aware of the enterprise general guidelines and to have a good knowledge of its workings and leaders.

This analysis of some current movements of the social, political and economic development of the enterprise environment also demonstrates the need for the lobbyist to have varied skills.

The mutations that affect his environment request in an increasing way the use of communications, advertising, marketing, but also of political, legal and financial sciences, economic sciences, sociology and psychology.

The communication function also requires basic skills in diplomacy, a great openness to different cultures and values, as well as a "ecumenical" perspective.

It is namely in this sense that communication skills are evolving and changing profoundly.

The lobbyist trade must be exerted within a strict and regulated mistake-proofing framework, and supported by an exemplary ethics.

## LOBBYING AND ETHICS

*"Always act as if you were a citizen and legislator."*

**Emmanuel Kant**

For many years the financing of political parties has been discussed. We have seen that the problem remains unsolved for "business." The new established rules to create a financial set of political ethics and to avoid any slippage, are linked to the role that the lobbyist may have within the operations of democracy. Political competition will be carried out in a democratic way if it remains free, equal and sincere<sup>8</sup>.

The rising of political campaign costs, outrageous spending, the too opaque nature of treasuries leading to "business" have forced the government to set up a special procedure to regulate these funds and to focus on transparency. Here the credibility of the political world in face of the public opinion was at stake. These regulations have existed in our world since the late 60s<sup>9</sup>. These provisions which have often been altered and adapted, have helped to give credibility to the parties and to ensure candidates with equal opportunity and straightforward transparency<sup>10</sup>.

In France, nearly thirty bill projects and proposals were brought up between 1971 and 1988. But the French legislature recognized these provisions only when the laws of 11 March 1988 (financial transparency), of 15 January 1990 (financing limit of election expenses) and 10 May 1990 (campaign financing) were voted.

The amnesty that cancelled any prosecution for parliamentarians was very badly perceived by the public. For the presidential election of 1988, the candidates said they had spent the following sums:

François MITTERAND: 99 842 170 F

Jacques CHIRAC: 95 984 005 F

Raymond BAS: 64 145 185.29 F

Jean-Marie Le PEN: 36 506 312.74 F

André LAJOINIE: 33 345 146 F

Antoine WAECHTER: 6 898 709 F

The lobbyist, through his interaction with the public authorities, participates in the democratization process, transparency of private financing and his spending and resources. This is especially important as there is today no code of conduct that regulates the lobbyist profession which must therefore abide by the existing laws.

Donations made to a candidate must in no case exceed 30 000 F for an individual and 50 000 F for a legal person. This limitation does of course not apply to the parties themselves who have the discretion to fund their candidates. Gifts which exceed 1000 F must be paid by cheque. All gifts from a foreign state, a legal person of foreign nationality, casinos and gaming houses

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<sup>8</sup> Jean-Claude MASCLET, *The Financing Rules of Political Parties in "Political and Social Problems"*, No. 667-668, November 1991, p. 2.

<sup>9</sup> Sweden and Denmark in 1966, the Federal Republic of Germany in 1967, Finland in 1969, Italy and USA in 1974, Austria in 1975, Portugal in 1976, Quebec in 1977, Greece in 1984, Spain in 1985, Belgium in 1985 and 1989 and France in 1988 and 1990.

<sup>10</sup> Yves-Marie DOUBLET, *The Financing of Political Life*, Paris, Presses Universitaires of France, Que Sais-je Collection, No. 2550, p. 3-5.

formally banned. In order to fight offence, the law has developed a large number of (financial, criminal and electoral) controls and sanctions. Each party must keep a clear and up to date journal. All elected officials and members of the government must file a declaration of assets.

Parliamentarians must produce this declaration two weeks after their election for the office of the European Parliament (National Assembly or Senate). The members of government and elected officials in charge of an executive case give their statement to the Commission Nationale des Comptes de Campagne et de Financement Politique.

The laws in the other countries are similar to those in France: cash take over for postage, production or printing. The United Kingdom was the first country to have provided financial equality in election campaigns.

In the USA, the device originating from the law on the "federal campaigns"<sup>11</sup> of 15 October 1974, amended by the Act of May 11, 1976 as a result from the sentence rendered by the "Buckley vs. Valeo"<sup>12</sup> Supreme Court and amended once again, contains two elements:

- The first, which deals with the entire election campaigns at the federal level, is governed by two ideas: transparency of the resources and expenditures, and limitation of financial contributions;
- The second concerns the presidential election (public funding associated with a ceiling on expenditures).

Never before have expenditures for political purposes produced so much publicity as in the USA. The PAC (Political Action Committees) are organisations set up to support financially a cause or a political party. These groups date from World War II when Congress had prohibited the unions to use their personal resources for political purposes. In order to escape this constraint, the CIO union<sup>13</sup> founded in 1943 the first political committee action. Only in the 70s did the PACs get to be truly developed. In the USA, individual donations cannot exceed 1000 dollars per candidate (capped at \$ 25000 per year). Regarding the collective action, the PACs can spend \$ 5000 per candidate, but the total expenditure is not capped. In 1988, 4200 PACs were enrolled in the federal register, providing over 40% of candidate election expenses for the House of Representatives and nearly 22% for the senatorial elections during the 1987-88 elections. As you can see, the PACs represent a formidable weapon for a lobbyist who has understood all the workings.

Each interest group has its PAC, doctors, unions, airline pilots, large corporations, and so on.

There are two kinds of PACs. The PAC called satellites, which serve a political action and have an autonomous treasury and independent PACs, free to collect funds from the public. The PAC can intervene directly (candidates' expenses) or indirectly through independent spending<sup>14</sup>.

The lobbyist must anticipate and understand the obligations and ethical limitations<sup>15</sup>, of each country but also of each enterprise for which he may one day be responsible to take care of for a better understanding of interest conflicts<sup>16</sup>. This is the price for his work to be seen as useful and rewarding. It is high time for lobbying and money to no longer have derogatory connotations.

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<sup>11</sup> Federal Election Campaign Act

<sup>12</sup> This decree declares unconstitutional the provision that limits the expenditures incurred by the candidates on their private funds

<sup>13</sup> Congress of Industrial Organisations

<sup>14</sup> In 1986, the direct contributions amounted to 139 391 000 dollars (congressional candidates) and the indirect ones to 1 8 668 000 dollars.

<sup>15</sup> You can also read the book by Tom L. BEAUCHAMP & Norman E. BOWE, *Ethical Theory and Business*, Prentice Hall, New Jersey, 1983.

<sup>16</sup> Concerning this matter, it is desirable to refer to the Behavior Codes of companies when they exist. French companies are becoming increasingly interested in this tool, such as Peugeot is.

## WHO NEEDS A LOBBYIST?

*"Whoever excels in resolving difficulties  
resolves them before they arise.  
Anyone who has excelled in defeating his enemies  
triumphs before their threats materialize. "*

**Sun Tzu**

The primary users of lobbying activities are, without doubt, enterprises, pressure groups, governments. The first ones in this series train the second ones to get an education so that they may in turn have an influence on the third ones. This tripartite and interactive equation is vital to sustain the balance of democracy. The lobbyist, who is a professional mediator, must be able to understand the problems which are inherent in the business and to assimilate them before creating pressure groups who shall be responsible for intervening within the public authorities. But beyond this economic configuration, the lobbyist's action may lead to broader sectors, such as social or professional demands. As part of his activities within the enterprise, the lobbyist should show a great creative sense and fetch his areas of intervention upstream but always at the service of the enterprise.

For example, if the lobbyist has to represent a tobacco enterprise, he should then avoid all debates on public health so as to create a sort of dynamic that might show the enterprise to be a true social agent or, in other terms, a so-called active "corporate citizen".

The efficiency of this type of program for the enterprise may be successful only if the lobbying action was initiated sufficiently in advance, depending on the signals of an old active technology, a cell which has already been integrated in the firm and developed by its consultants, that is to say an inseparable and indispensable tool in the lobbyist business.

The actions led by the lobbying international agency, Market Access Europe SA, is an examples of a successful lobbying cabinet. In its activities, the cabinet succeeded, in Brussels, as part of an effort to serve a large enterprise of English consumer goods, to change the terms of a European directive that threatened its products. Similarly, under the European law on banks, this cabinet obtained the necessary amendments for the protection of the banking market as they put pressure directly on the European Commission. Although these examples are not exhaustive, they yet provide strong evidence that all the sectors of economic activity can be brought one day or other to use lobbying. Indeed, all the enterprises, organisations and pressure groups, always need to transmit messages or to have them transmitted to the political and social and economic world; so lobbying is the essential tool to respond effectively to these needs .

It is unfortunate that in France, some enterprises distrust lobbying so that the lobbyist intervenes in a crisis situation only, without having the real possibility to prevent it and anticipate it.

This distrust turns out to be costly for enterprises because the work of a lobbyist on the long-term is less costly than an operation in times of crisis. The long-term work will also convey a strong and solid corporate image of the enterprise (see the chapter on crisis).

The question often asked by the enterprise is whether it needs or not to integrate the lobbyist. We have seen that this integration is vital and strategic. However, it remains true that newly created department must be in constant interconnection with lobbyists outside the enterprise. It will indeed often be desirable for the latter not to intervene directly and to let third party lobbyists deal with some issues. The only condition for such a mechanism to work out properly is the insurance of professionalism on both sides.

One of the areas where this integration is essential today, is the military industry. This sector, which is in crisis, owes its salvation to the military cooperation agreements between different countries. Market acquisitions are becoming increasingly difficult, and the USA did not hesitate to block its borders to any foreign penetration in this sector<sup>17</sup>. The Monroe doctrine was once again well preserved in this area. A lobbying which is integrated and present abroad, especially for the French military enterprises in Washington, strategic center of decisions, is the solution to these problems. Lobbying has enabled British companies to win, among other things, the competition of the "heavy torpedoes" in 1981 (Torpedo Mk24 Tigerfish mod O), as well as that of the Challenger II Tanks in 1989. Indeed, this lobbying campaign led to the exploitation of divisions between the Ministry of Defence and the British Cabinet, and restored confidence to the Prime Minister for his commitment to a costly military program whose results had not yet been assured<sup>18</sup>.

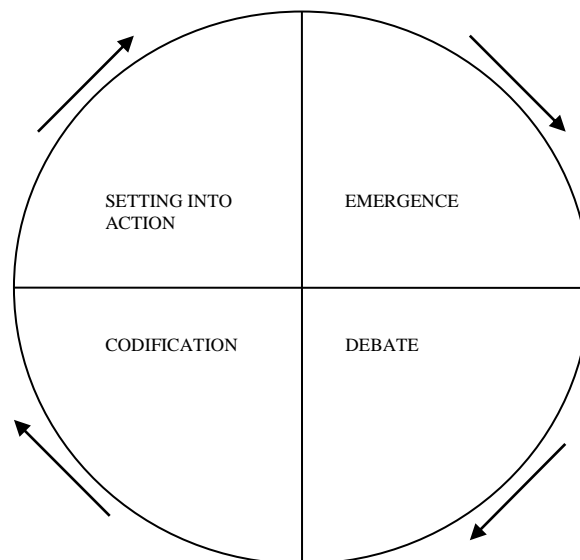
In order to integrate lobbying in the enterprise properly, we must understand the structural obligations which are putting pressure on both the lobbyist trade and on the enterprise.

### **INSERT AND STRUCTURE LOBBYING IN THE ENTERPRISES**

It is essential that the concept of relations with the public authorities should be a strategic integration plan of the enterprise. In the USA, this is called the Corporate Affairs Department. It includes both the crisis management, lobbying and Corporate and financial communication services of the enterprise. The director, who is polyvalent and skilled in multiple disciplines, must be as professional as a marketing director.

In order to integrate this department in the enterprise, he must be present at the emergence of any debate or problem which must be dealt with<sup>19</sup>.

The process of analyzing the problem can be illustrated as follows:



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<sup>17</sup> It is unfortunate that the Europeans prefer to use the same weapons as the U.S (the equivalent in the acts of Articles 201 and 301 of the U.S. law on Trade), rather than to negotiate international agreements which protect in an effective way all free trade activities.

<sup>18</sup> The lobbying action led by the Defence Research Unit of the Market Access International Ltd enterprise. See concerning this: The Politics of British Defence Procurement, Market Access International Ltd, London, 1989.

<sup>19</sup> See Frank J. FARNEL, Lobbying: A Constantly Evolving Management, in "Journal of Legal Research, Prospective Law", Presses Universitaires d'Aix Marseilles, 1993-1, pp. 273-283.

After its emergence, the problem moves down where it will be discussed publicly. It then turns into a codified situation which is understood better, before a criminal application is reinforced. The process starts all by itself.

In order to follow such a scheme very closely, it is important that an enterprise develops an efficient network of active technology surveillance ("Active monitoring system") which may act while laws are only still being drafted and while public opinion has not yet been challenged. The latter is expressed through parliament, political parties, ministries, unions, professional associations, universities, research organisations, etc... If the lobbyist does not listen to these influential information vectors, the result will be negative.

This is namely the pattern that we must find in Europe: the European market is fragmented in terms of technical demands concerning the products and market segmentation.

Once the enterprise has been restructured, it must adopt new strategies to maximize its potential European market penetration. Along with the market fragmentation, the old concept of the fragmentation of enterprise units should also disappear.

The enterprise that wishes to be successful on the European scale shall have to build an effective network of alliances in order to have a real proposition power in face of the governments.

The consolidation of European economies in terms of trade legislation and competitiveness should be monitored by the active monitoring which belongs to the Public Affairs programs.

Although efforts have been made to combine the unions and other social partners in the establishment of unified Europe, we must recognize that this technological monitoring program is mainly managed by enterprises. According to a major American multinational <sup>20</sup>, "politicians have created something in the internal European market program which could be exploited by enterprises and could also be directed by these same enterprises. When the business community accepted the single market principle, the process has become such that it cannot be stopped."

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<sup>20</sup> The 1993 Enterprise. Corporate Strategies for Europe's Single Market, International Business.

## LOBBYING AND THE EEC: BRUSSELS AND STRASBOURG

Today the culture of France, direct heir of the Latin and Napoleon culture, with its centralized, hierarchical and quasi-military aspect, is opposed to that of Brussels. While the process is more consensual in Brussels, French companies tend to trace some national sets of behavior in respect of their lobbying actions there.

Thus, in France, contrary to Brussels, there is a tendency to think that an intervention from above will correct certain problems and automatically influence on the various services.

Brussels is like Washington but without its Congress. The lobbyist can get appointments easily because this is a normal mode of information for policy-makers in Europe. But in France, this is not the case in spite of the progress that has been made since a few years already.

There is a whole set of behaviors to overcome in our country because this state of affairs has led to a negative mutual distrust between the French enterprises and the administrations in Brussels.

The thirty-five years of delay accumulated by the French lobbying compared to the U.S. lobbying should, instead, encourage the French enterprises to be more convincing, on the one hand in order not to fall behind, and on the second hand to play a leadership role in Europe.

The lobbyists, whether they are integrated or not, must know perfectly well in this context the essential element that govern the foundation of the EEC and of the other countries.

Strasbourg and Brussels represent today the same attraction as Washington <sup>21</sup>. It is therefore essential to be present there to protect one's interests against a very rapid growth of laws and regulations that affect all areas of activity.

According to what Jacques Delors declared on 6 July 1988, a lobbyist who is worthy of that name must control in a very good way the process in the European Community in order to have more influence on the political entities that shall determine the business environment for enterprises.

The Single Act has many aspects. Negotiation time is shorter and decisions are taken faster. With the expanded role of the Council of Ministers, a Member State can no longer oppose a European measure on its own.

With this Single Act, state monopolies now leave room for privatization, and upheavals in the East are transforming all the strategies.

In this new context which is in full democratic change, the lobbyist can play a vital role as a catalyst amid the Parliament and all specialized committees. He can bring information that the parliamentarian has a hard time to obtain in fields as varied as the price of medicines, transport of hazardous wastes or the rights of spiritual beverages.

Whether he is integrated or not, the lobbyist coordinates the communication strategy of the enterprise with which he works amid the Commission or the European Parliament.

There are now about twenty French enterprises who regularly lobby with European institutions (in comparison, the German enterprises are twice as many). It is true that lobbying in the American way has appeared to be efficient in Europe only until the late eighties. These very active French enterprises usually have their office in Brussels to represent them. Others are satisfied with Paris. These management offices which are specialized in lobbying are for most of

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<sup>21</sup> For this topic, please see: Neil Nugent, *The Government and Politics of European Community*, Duke University Press, Durham, 1989.



them related to the "international" function without at all being related to the communication sector. This is a real handicap for enterprises because communication is the only thing with which lobbyists can reach policy and administrative makers more easily and make them aware of the interest of the enterprise and its problems. Those who have not made this tactical choice may not be successful in their long-term strategy. Let's just imagine a bill which is favorable to the enterprise. One should ensure that it shall remain so also if there should be a vote concerning an amendment to the text which is still in preparation.

So the enterprise, thanks to its lobbyist who is integrated in the communication sector and who identified this text as soon as possible, can quickly assess the chances it has for success and take the right decision to intervene. This is especially the case regarding the fact that, for now several years, the French professional associations have had a strong presence in Brussels. This is why the CNPF has opened a permanent delegation and publishes a very powerful newsletter that reinforces the presence of French affairs in major community debates. In this picture of the presence of the French in Brussels, one should not forget the regions have set out to be an appealing "showcase" to attract foreign investors for them to play the role of an information center for the SME-SBU and to provide effective assistance to the enterprises in the region.

Are the French then so gifted for lobbying <sup>22</sup>? Certainly not. The French enterprises are filling the gap, and some are even among the leaders in Europe. The majority is simply still reluctant to adopt this powerful tool that could facilitate their task in the intricate and subtle legislation of Brussels.

One should know that the messages that enterprises want to pass on are different depending on whether they are national or community officials, national or European parliamentarians. The coordination of these messages should be entrusted to a single person in order to minimize the risk of fragmentation. Only two hundred and fifty enterprises are directly represented in Brussels as the city is preparing the future technico-regulatory environment. The presence of Brussels must become a top priority for the French enterprises if they wish to have a role to play in the future European Economic concert. Any lobbyist working for a top enterprise must fully assimilate the workings of the legislative and structural organisation of the EEC.

The European decisions are based on four major institutions: the Commission, the Council, the Court of Justice and Parliament. Two other bodies reinforce this structure: the Economic and Social Committee which plays a role as consultant to the Council and Commission; and the COREPER (Committee of permanent representation) which is studying the various proposals for the Council.

## **A - Brussels**

Sixteen thousand eurocrats are currently working in Brussels. The total number of the European officials is approximately twenty-four thousand <sup>23</sup>, divided into twenty General Directorates (DG) and ten specialized services, while the seventeen European Commissioners make up the spearhead of the Community. As for lobbyists, taking consulting firms, professional organisations and lawyers all together, they represent a workforce of over three thousand people.

Unfortunately, there is at this level a clear lack of professionalism. Of the four hundred existing European federations, only fifty are really known, and a little more than a dozen operate with a consistent budget. This is the case of Sugar (SUGAR EUROPE), or of the French employers management (UNICE).

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<sup>22</sup> Title of an article "01 *Informatique*", April 1992.

<sup>23</sup> Bernard Brigouleix, CFF, *Travel to Euronatie*, Editions Alain Moreau, 1986.

## **B - Strasbourg**

Most businesses and many lobbyists have little interest in the European Parliament <sup>24</sup> of Strasbourg, and this is a fundamental mistake because 60% of the amendments submitted by Parliament in first reading are revised by the Commission and nearly 50% by the Council. In second reading, 50% are taken by the Commission and more than 25% by the Council. Hence the interest in the lobbyist to act in Parliament and to know the essential element well.

### **1 – Constitutional Knowledge**

The Parliament of Strasbourg is in theory the EEC legislative weapon although it has not yet initiated any legislation as a consultative body for most of the Council decisions.

It is essential for the lobbyist to know perfectly the workings of these assemblies and administrations with whom is going to work (see Annex).

### **2 – The basic rules to follow**

The lobbyist must follow strict rules to handle in a better way the files he shall have to submit to the European level. He must avoid all political connotations, present a united European front (apply the "coalition building" rules), produce clear and short texts, adopt the common European positions, become a force of propositions in the context of legislation editions, maintain a permanent dialogue with the administration and work on the long term.

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<sup>24</sup> Also see the works of: Daniel GUEGUEN Sc Dominica LUND, *Keys to the European Parliament*, Editions Apogée, 1992, and Daniel GUEGUEN *Practical Guide of the EU Labyrinth*, Editions Apogée, 1992.

## THE INTEREST GROUPS THAT COUNT AT THE EUROPEAN LEVEL

The national interest groups often come together under the banner of a European federation, (the Americans bring these coalitions together under the name of NMA National Manufacturers Associations). This approach has the most effect in Brussels. Some European federations are essential when the lobbyist have others accept his point of view concerning operations aimed at creating coalitions. Among the important organisations at the European level that the lobbyist should take into account, there are consumer associations whose principal one is the European Office of Consumers.

The consumer associations in Europe have created an interest group, the European Office of Consumers" or BEUC.

The BEUC now has great powers as it can for example appoint some representatives of the Community, and consumer organisations are increasingly addressing this organisation because of its growing powers.

What are the actions this body prefers?

- a - Advertising: strict control of advertising compared with television.
- b - Consumer Protection: Safety of products sold in trade, sanctions against unbalanced commercial contracts, the right of the consumers to go to court.
- c - Hazardous materials: establishment of very strict rules regarding exports.
- d - Opening on biotechnology and its application in consumer goods.
- e - Food: stricter regulation of products for children, control of the phenomena of radiation, European inspection regulation of consumer goods.

### 54 LOBBYING

f - Pharmaceuticals: Request for scrutiny by the Commission on issues related to pricing transfer and advertising of products, action to become the advisor to consumption of the European Agency for Medicine.

g - The BEUC is also part of the coalition of federations seeking a ban on advertising and sponsorship by tobacco enterprises.

h - Doing Business: a great activity concerning the automobile industry. The BEUC has requested the intervention of the EEC to put an end to the price competitions of medical products

i - Commerce: the BEUC and IOCU <sup>25</sup> intervened during the negotiations of the Uruguay Round and GATT. We note here the increased role of the consumer representatives in the decision process of the EEC trade policies.

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<sup>25</sup> International Organisation of the Consumer Unions.

## **A – The BEUC administrative organisation**

The creation of the BEUC dates back to 1962. Its headquarters are in Brussels. In 1990, its budget was amounted to around 1.06 million dollars. Its secretariat comprises twelve people conducted by an Irishman, Mr James Murray. It is made up of twenty-two organisations recognized at the national level. Since 1990, the organisation is open to non-members of the EEC.

At the top of the pyramid, the General Consultative Assembly (two meetings per year) appoints a board that decides on general political outlines and programs which should be implemented.

Then comes the executive board (six meetings per year), which finalize a specific program which should be performed. And finally there is the coordinator-secretariat. The limited funds of the BEUC compels this federation to use cheap studies as well as the unpaid aid of academics and outside experts.

As a member of the Advisory Committee for Europeans Consumer (CCC), the BEUC works closely with members of the CCC, the ETUC, COFACE and EUROCOOP.

The BEUC coordinates campaigns on the environment with the EEB<sup>26</sup>, manages the problems related to food with the London Commission, the HAI members<sup>27</sup> of BUKO, the CRIOC, the WEMOS, and operates social audits on pharmaceutical operations. It is allied to the IOCU, EEB, HAI, PAN<sup>28</sup>, IBFAN<sup>29</sup>, SAN ICDA<sup>30</sup> within the coalition against exports of hazardous materials known as CADE.

## **B – The tactics of the BEUC**

The BEUC launches every year, a major European campaign introducing and / or dramatizing the effects of a product on the consumer. The campaign is aimed at alerting European institutions (exports of chemicals, lead in gasoline, animal hormones etc.).

In order to put pressure on public opinion, the BEUC has been conducting comparative studies of European prices, based on the data supplied by member organisations. Such studies have provided effective results from industries of pharmaceuticals products, electronic products, cars, personal computers, cost of air transportation, gasoline, bank card services, and currency exchange services.

A relatively recent tactic of the BEUC is, with the help of the Commission, to talk directly and have piecemeal discussions with industries on a specific problem. Thus, in 1990, the BEUC represented consumer organisations in the framework of discussions with the EFPIA<sup>31</sup> on the information problem of patients.

As it is very active in pure lobbying, the BEUC has influence over the EEC policies in several advisory key body of the commission, particularly for the CCC.

The Commission gave its letters of nobility to the BEUC by declaring it as the consumers representative within the CEN<sup>32</sup> and the CENELEC<sup>33</sup>, agencies that set the future standards of Europe. Since 1990, the BEUC is trying to do the same thing within the European Planning Agency of Medicine but it is more difficult.

Finally, the BEUC has influence over the EEC legislative process by direct lobbying methods both at the European Parliament level as at the Economic and Social Council level. To

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<sup>26</sup> European Environmental Bureau

<sup>27</sup> Health Action International

<sup>28</sup> Pesticide Action Network

<sup>29</sup> International Baby Food Action Network

<sup>30</sup> International Coalition for development Action

<sup>31</sup> European Federation of Pharmaceutical Industry Associations

<sup>32</sup> Committee for Standardization

<sup>33</sup> European Committee for Electro-technical Standardization

facilitate its operation, the BEUC has created an "consumers business inter-group" with some European Deputies. The BEUC and COFACE report to this secretarial inter-group.

As for Interpol which is often used by the IOCU, it includes not only the EEC organisations, but also the Nordic countries.

## LEGAL LOBBYING AND THE EEC

We are witnessing today the development of legal professions. Such as things are, lawyers tend more and more to diversify their activities and to become lobbyists. It is indeed important that lobbying finds a legal foundation within its related activities in order to ensure full security to its relevant interlocutors and interest groups. Hence the development in Europe, given the institutional specific entities in Brussels, of a new style of lobbying: legal lobbying.

The latter could be defined as follows:

*The effort by one or more lawyers to reform the law or give rise to the formation of a new law, in line with the broad principles which already underlie the existing legal order.*

The idea is to adapt the law to the evolution of a society all the while ensuring continuity with the legitimate principles that govern it. The needs of any changing society can be illustrated by specific examples:

- Changes in consumers who have become increasingly demanding, informed and organized;
- Global competition facilitated by the steady progress of transport and communication routes;
- Very heavy investment that may hamper production;
- Inflation of a regulation aimed at improving life and welfare.

As a source of numerous regulations, the European Community remains the ideal forum for interactions between the different traders and the legislator.

A good legal lobbyist, expert in European law, should know all the texts in force, those in preparation and the effective sentences, and he should not forget to identify the principles of the European law that the legislator has sought to apply and he must explain to his client the real impact such laws can have on his business.

The lawyer is subject to very strict ethics that forbids him to violate the rules without undergoing the severe sanctions from the Bar Association. Disciplinary law is sometimes more severe than civil law or criminal law. This profession has evolved considerably since the last twenty years as it is opening up more and more to the business world.

## LOBBYING IN FRANCE

*"I will do everything in my power  
to prohibit that ugly vice  
the day you'll tell me about just on virtue  
liable to get every year the cash of  
120 million for the funds of the State "*

**Talleyrand**

Lobbying is by far not a French tradition since June in 1791, a certain Le Chapelier had banned the activities of pressure groups because he considered it too dangerous to the Constitution. When the law on freedom of union associations entered in 1884, these groups reorganized in the form unions which were the first interlocutors of politicians. But the official unions are not lobbyists. They only act as representatives of the collective interests of their members. In this way, professional organisations were gradually formed (more than 1500 in France) who decide and formulate demands for a given sector (sugar, tobacco, oysters, etc.).

In France, the status of lobbying is neither very well known, nor developed, nor considered. Instead of lobbying, we prefer to speak of "pressure groups" or "influence networks". The reasons? Because of the lack of transparency, lobbying has been assimilated to the concept of money and power, two questionable and suspect entities for the public and enterprises. In addition, lobbying has been too limited to administrative centralism as it has not been considered useful to extend its craft beyond the capital. In France, there is the belief that a business lunch or a phone call can resolve problems. This is no longer true today. The senior officials no longer have the same powers today as before and many of them have only a fragmentary view of the economic or social situations that are settled in Brussels, Washington or elsewhere.

The left coming to power in 1981 after twenty-three years of Gaullism helped to raise an interest in lobbies. New relations between the State and the business world had to be recreated. The breakdown of authority (central government in Paris, European power in Brussels, regional and local authorities due to decentralization) enabled lobbyists to take an increasingly prominent and necessary place. Another recent finding is that the business world has become popularized through the mass media, all the while erasing some of the paradoxical shame of making profit.

Without making Americanism an issue, the American example does exist and has persevered. It is therefore possible to adapt it to our country. A first assumption created by our cross-Atlantic friends: is to be professional and give accurate information which must also be of high quality, objective and, if possible, proactive. Lobbying is not, as one usually believes, accessing to power, but helping parliamentary institutions to improve and monitor the transparency of this power for the welfare of citizens only.

The French lobbying aims at addressing the political world and in particular to its members. The life of a French MP is usually very active and often stressful. As his time is limited, there is no question for a lobbyist to waste a minute. In accepting to receive a lobbyist, the French parliamentarian must know he shall be dealing with a professional who will provide them with the elements they need in their activities.

It is possible to reach a French MP in various ways, all of which are lobbying tools: corporate advertising of an enterprise, newspaper articles, annual reports and other brochures as well as direct lobbying. The MP will also be influenced by the views and opinions of his colleagues who are themselves aware of the lobbyist's theses and its constituents.

The question that enterprises and pressure groups should ask themselves in France, is what communication will have the greatest impact on the parliamentarian body. This question

may have significant financial implications. Many enterprises spend huge sums of money on brochures and advertisements which, as they believe, shall somehow influence the decisions of parliament. The reality is quite different.

As shown by a study on 100 British MPs by the enterprise Opinion Access Limited, which is part of the Market Access Group, the information received by mail are not the most efficient. This is due to the way Parliamentary offices work (only 4% of the MPs say they read all the documents which are sent to them). One must however not mix this type of action with what is called "field-" or "grassroot lobbying" which has a more specific goal.

From these studies it largely appears that Members prefer to meet the representatives of the interests that are sought to be defended, and primarily through the lobbyist who shall have been preferred as an interlocutor.

The main criticism that the French MP hold against lobbyists, is that the latter, far too often, do not act with as much professionalism as most of their Anglo-Saxons colleagues. In particular, upon a decision to be taken by direct contact, the lobbyist must do research and perform his work in order to determine which policy makers is going to have a key role in the case he has to defend. From the above study, it has been found that 69% of the members believe that a professional lobbyist is important as an intermediary, but 49% of them believe that a lobbyist does not have sufficient knowledge of his files, nor does he clearly understand the importance the defended case can have in political terms for the member.

- ***The creation of study groups with parliamentarians***

One way in France, nevertheless, to build up, abrogate, create an awareness and introduce a new legislation often starts with the creation of a parliamentary study group. As the number of parliamentarians are in France limited, this form of debate is among the most effective on issues related to legislation.

The study groups should be initiated and chaired by a member of the majority. Their impact is generally realized by the publication of a report. As the non-parliamentary experts can participate in this process, they represent an excellent opportunity for external representation.

In this precise case, the lobbyist shall therefore have to identify a "comprehensive" member and identify the appropriate members of the study group as well as the list of experts.

In many cases where such action was not undertaken in France, it was nevertheless easy to encourage the reaction of such study groups on important issues for enterprises or interest groups. But past actions which were not coordinated often have a more negative than positive result. Thus, as we have already pointed out, the lobbyist should show creativity in his effort, and participate in the creation of a group which will have a broader purpose than simply defending the case to be dealt with. This is particularly true for enterprises whose products are considered "prone to risk." Faced with this type of product, the subject of public liberties is often enough to broaden the debate and raise the paradoxes of the proposed legislation.

The tones and themes of these study groups will always have to remain credible, and will be determined by the study group itself.

Although some cases in France were able to be accomplished thanks to lobbying, there is still a long way to go before this profession is fully considered as the fundamental vehicle that governs the balance between the political world of and the business world.



## COMPARATIVE STUDY OF INTERNATIONAL LOBBYING

If in the USA lobbying is a legal activity, the situation is very different in Europe where this activity remains fairly marginal even if its concept is progressing. This is demonstrated by the fact that it is mentioned in the guide for European institutions published by the French Ministry of European Affairs, and Parliament is considering its institutionalization.

If France is still reluctant in face of the reality of lobbying activities, most European countries, including England, the Netherlands and Germany have long given it an important place and a legal status. The same type of movement has been developing in the East.

### A – Great Britain

Lobbying is important in Britain where English judges consider impossible that in a two-chamber system the two assemblies and the sovereign have full knowledge of the preparatory work on a bill. But this is an essential condition for a text could become a law. An English judge shall therefore not look at the preparatory work on a bill because of the impossibility for him to understand the "intentions" of the legislator perfectly well. Although he'll deny any kind of value for the preparatory work of a law, he can however find in it "the decision element".

The lobbyist is in England a key piece which enables the legal system to work better. This explains the rather large number of lobbyists who work in this country.

There are currently about forty small lobbying enterprises in London, managed by former MPs or journalists, hence the important role of information in lobbying activities. Among these enterprises, five are set in Brussels, and five other have monitoring and representation offices in Washington.

As the Members of Parliament can be "employees" of economic groups, this status offers great opportunities for lobbyists: according to the British law, the MP has only one transparency obligation through an "annual declaration of interests": A Member of Parliament who is elected by the people must be able to represent special interests and devote to it a portion of his time. Contrarily to this, a British minister does not have such a prerogative because the limited duration of a ministerial mandate does not allow to represent the said interests.

A study by Access Opinions Limited <sup>34</sup>, revealed very interesting results concerning the places where the English MPs prefer to have their interviews with lobbyists or their principles.

Thus, for the representatives of the Conservative Party, the majority prefers to have a lunch at Westminster (2.57 on a scale of 1 to 5 – from respectively the more to the least favorable). Then the preferences go to an interview in the House of Commons (2.79); an interview in an office of the lobbyist's client enterprise (2.96); a dinner at a restaurant in Westminster (3.45); visiting factories or offices outside London - apart from an international ones - (3.98) and finally a social function (4.16) collects the least interest.

By cons, the supporters of the Labor Party prefer an interview in the House of Commons (2.29), then visiting factories or offices outside London (3.00); having lunch at a restaurant in Westminster (3.72); having dinner in a restaurant in Westminster (3.94) and finally a social function gets the least less interest from MPs (4.00).

This study shows that the content of the dialogues between a lobbyist and a parliamentarian is also very important. Indeed, nearly half of the English MPs (48%) say they want to be regularly informed on the changes that affect the business world (36% of Conservatives and 63% of Labor). Nevertheless, 17% want to know about the enterprises only whose products coincide with their areas of intervention.

<sup>34</sup> Source: Market Access Ltd.

Amid the Deputies 54% are left to expand the number of enterprises to those that work in the areas which coincide with their own direct political interests.

Finally, with regard to who should intervene directly, the results of this study show that, contrary to what is going on in Washington, the English MPs of all parties do not wish to meet only lobbyists only(4%). Thus, in England, an enterprise must act as its own lawyer (hence the importance of integrated lobbying), with the help of lobbyist-councilors to ensure the validity of the messages. They make sure they have indeed reached the target individuals which were previously defined within the action plan.

## **B – The Netherlands**

In Holland there is a mind open to negotiations on the part of politicians, representatives of public organisations and parliamentarians. In this country, recent decades have witnessed a significant society politicization, a phenomenon caused by the process of democratization and European integration. This politicization has been successful, a decade ago, to bringing the political world nearer to the industrial world which has come to realize that the combination of their getting together could lead to economic recovery. Hence the emergence of interest groups and lobbyists. In this country, the Tweede Kamer (Chamber of Deputies) is very open to lobbying, which lobbyists take advantage of while they rather not attend the Eerste Kamer (the Senate) where lobbyists tend not to go to while their members are important for the smooth running of bills proposed by the Tweede Kamer.

in Holland collective interests are managed by a large number of influential trade unions which represent all of them an entrance door for an effective lobbying. Public organisations of entrepreneurs such as the perfectly legal "Produktschappen" or the "Bedrijf chappen" are represented by both members of employer associations and unions workers. Their easy and regulated access allows the lobbyist to contribute directly to the national or community decisions.

## **C - Eastern Europe: The Hungarian example**

The country is a perfect illustration of how lobbying proceeds in Eastern Europe because Hungary is a step ahead over the other countries of the former Eastern bloc like Czechoslovakia or Poland

In 1968, Hungary opens up for the first time to the open market. At the request of the government of those times, various advisers and specialists in the business world came to introduce the Hungarians to the complexity of the market economy. All emphasized the importance of communication and the key role played by entertaining public relations.

Unfortunately, this first experiment was short-lived, as the market closed up completely in the late 1970's following the first oil crisis. Not until 1983 did the cooperation start once again as a result of a loan request of \$ 300 million made by Austria for the development of the Hungarian hotel industry. The hotel chains created upon this event represented the first Hungarian enterprises to integrate within their staff an official in charge of public relations.

But lobbying does not have any official existence in Hungary and cannot be found anywhere on the list of professions which are legally registered (by the way public relations have been inserted since a relatively short time). The term has bad connotations because it generally goes hand in hand with bribes.

In an attempt to establish lobbying in an effective way in Hungary, it is important to understand the functioning of Hungarian institutions. The conduct of public affairs is established on three levels. The central government is led today by the coalition of three rather conservative political parties. There are 19 regions led by their own government which control 120 cities, except for Budapest as it has its own municipal council in which the opposition is the majority as the case in most regions.

Lobbying should preferably focus on the state through the parliament (375 deputies), the parliamentary groups, advisers, the prime minister and his cabinet, and 18 ministries. These ministries must become the lobbyists' preferred targets.

In the wake of the upheavals that Hungary experienced in the past three years, anyone who is interested in the Hungarian market must resort to lobbying. The economic needs are unlimited. For example, according to the new Hungarian legislation, the motorway network in the country will be performed by being given in concession to some private enterprises (domestic or foreign). The latter will take care of the necessary investment and in return will collect the tolls over a period of 30 to 35 years. In this context, both investment banks and enterprises that specialize in privatization transactions won't be able to do without lobbying.

One should however bear in mind that the Hungarian legislation prohibits industrial enterprises or financial to directly conduct lobbying action on its territory. They must therefore apply to specialized companies that generally are public relations agencies.

Public relations agencies are now seen as the safest intermediaries, also if their financial costs are high (1000 dollars per day for a well established agency) for the Hungarian market.

The French presence is important, contrary to what one may think: 20% of all the transactions are performed with foreign enterprises. And they often concern major operations. So SANOFI, the French largest investor in Hungary, joined with the first Hungarian pharmaceutical enterprise. The often crucial role of these French enterprises in Hungary is unfortunately ignored and their work undervalued. Only the Prime Minister is favorable to what they are doing. Efforts must be undertaken to improve their image among parliamentarians and economic decision-makers. Another problem is the lack of obvious dynamism of our enterprises compared with their competitors. The "wait and see" fashion should no longer exist because the eastern market represents today, despite its many uncertainties, the future.

A lobbying plan can be positive if one focuses on the following objectives:

- Publicize France as a real industry power because Hungary only knows about the richness of its culture.
- Start a corporate communication action for French enterprises and not only on their brands.
- Focus on direct contacts with SMEs in Hungary
- Focus systematically on contacts with the regional authorities and municipal councils which are valuable allies vis-à-vis local economic decision-makers.

If the Hungarian Prime Minister seems very favorable to the strengthening of the European presence, the opposition has marked a clear preference for U.S. enterprises. French enterprises must catch up and give themselves the means. Lobbying is one such means.

## **D - Lobbying and the USA**

American lobbying is the oldest in the world since the first regulations dates back to 1876. The Foreign Registration Act appears in 1936 and the Federal Registration of Lobbying Act in 1946.

The U.S. Constitution has already established lobbying rights in its set of laws a long time ago. The non-government interests, mainly assets of the legislation, have fully profited from having made lobbying official. By the way, for American professionals, "lobbying is the perfect barometer of Democracy".

But one should not be misled. Reality is sometimes misleading. Behind the sacrosanct freedom of enterprise which is so dear to Americans, there is in truth a tremendous battle between the political authorities and the economical authorities<sup>35</sup>. If policies are spending outrageous amounts of money to try to muzzle the growing power of the economic sector, the

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<sup>35</sup> For the study of a space case, you may read the book by Bruno JULIEN: U.S. pressure groups: the agro-food lobby assaults the authorities, Skippers, Paris, 1988.

latter is not to be outdone and also spends millions of dollars to influence politicians. This fact sometimes poses problems. This is why, in this difficult relation context, many U.S. and also foreign enterprises hire a lobbyist full-time to handle and manage their connections with the public authorities. Their interest is obvious in face of the proliferation of regulations and laws which, since the recent past, seem to be thriving on the American soil. The gigantic administration reigns on the States, the cities and even the regions. Each enterprise is therefore faced with pervasive laws that regulate its entire life, since its inception..

Concerning the public authorities, one explains this panoply of laws through their effectiveness in driving the contractual policy of the country – be it to solve the work equality problem of significant minorities, or to worry about the protection of workers and consumers. Let's take the example of this entrepreneur working in the food industry whose products (hamburgers) are regulated by more than 200 laws, 40000 regulations and 115000 legal elements. He must, for example, ensure that the tomato sauce flows at a speed of less than 9 inches per 30-second period at a temperature of 69° Fahrenheit. The whole panoply of umbrella legislation is very expensive and requires a host of lawyers, inspectors and monitors. Only Washington counts nearly 40 governmental agencies which are responsible for ensuring the application of these multiple regulations. They spend annually over \$ 7 billion plus \$ 185 billion spent by enterprises to comply with the regulations issued by these agencies. Among them, the IRS <sup>36</sup> collects taxes, the SEC <sup>37</sup> controls enterprise accounting and finance, the Federal Trade Commission deals with antitrust regulation, the OSHA <sup>38</sup> monitors the implementation of safety rules at work. Others are responsible for the environment, consumer safety, social security, communications, inter-state trade, aviation, energy, international trade, and so on. It is in Washington, the US administrative executive and legislative capital, where all the relational structures between the different types of powers are concentrated.

In terms of law, the preparatory works have a considerable importance, and it is not uncommon to see the American Court refer, in addition to the latter, to the historical background of a provision. This practice has existed since the arrival of Mr. Holmes to the Supreme Court in 1902. At this time, the "United States Reports" contained only very few references to the preparatory works.

The same goes in France where commission works have a considerable importance.

The USA have a legal arsenal that will allow a lobbyist to continually exert pressure: commission reports; registration; testimonies carried out before the hearings; debates in front of the Chambers; review or investigation committee; Commissioners on Uniform State Law ", or even the administration.

What must be emphasized in this regard is that the lobbyist's opinion in the USA is more and more listened to. The proof that this trade is integrated in the workings of the American system, is that in interpreting a law a court - especially a lower court - tends to use the views of groups or persons who participated in its drafting <sup>39</sup>.

It has therefore happened that, in his decision, the judge uses the way lobbyists interpret a sentence of the legislator about the exact destination of a law.

To have the public authorities take into account the objectives of an enterprise or an economic sector, to become the indispensable link between these two complementary and vital poles of the country, this is the exciting but difficult task of a lobbyist.<sup>40</sup>

In the USA, lobbying is an integral part of the political landscape. Both the public authorities and enterprises regularly use this tool to know about the vitality of the e.g. industrial

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<sup>36</sup> Internal Revenue Service.

<sup>37</sup> Securities and Exchange Commission.

<sup>38</sup> Occupational Safety and Health Administration.

<sup>39</sup> See the report filed by lobbyists: "Non Legislative Intent as an Aid to Statutory Interpretation," notes 49, Col. L. R. (1949), 676-685.

<sup>40</sup> For the study of the historical background and development of the "Common Cause", one of the lobbies among the largest in the USA, see the book by Andrew S. MCFARLAND, *Common Cause: Lobbying in the Public Interest*, Chatham House Publishers, Inc., Chatham, 1984.

sector – a sector that they may just barely grasp. The lobbyist is a privileged partner who is chosen for his skills and especially for the overall view he has on the activities for which he is responsible.

In Washington, lobbying work is simple: when a bill is being drafted or simply under discussion, the lobbyist who represents an enterprise or a business segment will be responsible to provide the administration and elected officials with figures and arguments to highlight the activity and the interests of his client. Today in Washington there are more than 13 000 integrated lobbyists and hundreds of cabinets which specialize in this activity – and the sector is growing. The profession requires a formal registration with the authorities, and is so well recognized that directories contain lists of lobbyists with their specialty.<sup>41</sup>

In order to help them, enterprises can count on several privileged interlocutors: in addition to the integrated lobbyist who works in Washington, unions and professional associations representing the same business segment, the so-called "umbrella" associations such as the American Chamber of Commerce and, finally, the "circumstantial" coalition which was created in an ephemeral way to defend economic interest groups.

When a subject requires too large expenditure for just one enterprise, you appeal to trade unions because they often have premises, a permanent team and contributions of their members.

Each union has its own information network on current legislative and administrative matters that are going on in the country in order to inform its members. As they are spokesman of their profession, these unions and associations are very powerful. The "National Association of Realtors" with its 809 000 members has an annual budget of over \$ 5 million and 600 employees working for them. But not all of them have this same national power. Thus the "National Agricultural Plastics Association" represents only 400 members and has a \$ 25 000 budget only for just one single employee.

The so-called "umbrella" associations intervene only when a problem affects the economic activity in its entirety. The American Chamber of Commerce, the most powerful "lobby" in Washington, which relies on a budget of several tens of millions of dollars, may in an emergency inform U.S. citizens directly through the most listened to media (television or magazines). Its discourse is supposed to create a positive climate for enterprises and thereby facilitate the work of lawmakers. It can also communicate outside Washington to influence the politicians of the capital. This is called "field-" or "grassroot lobbying." This terminology which used to be exclusively reserved for an action in the province, is now used for any activity outside Washington, even New York.

In a case of grassroot lobbying, the lobbyist will try to convince voters to write letters to their elected representatives to support the interests of an enterprise.

"Field" lobbyists have invented the PAC<sup>42</sup> or Political Action Committee. With this weapon, the latest American election campaigns have received a substantial inflow of over 150 million dollars. Under the federal law, the financial participation of each PAC to the campaign of a candidate may not exceed 5000 dollars. That is why the effectiveness of this technique is measured in terms of relationships rather than financing.

Another method commonly applied by lobbyists is the coalition technique. It is efficient as it enables small enterprises which, by gathering around one single business segment, can intervene effectively amid the government and public authorities. The latter shall then be more inclined to listen to the group that represents the same network rather than to different economic interests.

But Washington is not the only city that holds decision power. In the 50 states of the Union, 2500 administrative agencies prepare and promulgate laws at the local level and all business segments are concerned; some states, like Massachusetts, even arrogate the right to impose additional taxes to enterprises which are on their territory. The lobbyist will have to rely

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<sup>41</sup> See, for example: Beacham's Guide to Key Lobbyists: an Analysis of their Issues and Impact, Beacham Publishing Inc., 1989

<sup>42</sup> Political Action Committee, see the chapter on financing and ethics.

on a case which is regularly being updated and know how to use the documentation and directories that are usually found in the public.<sup>43</sup>

This entire lobbying strategy must be known and adopted by foreign enterprises that wish to move to the USA or to work there. This is going to have an impact on their effectiveness and good market knowledge. The lobbyist may help these enterprises save valuable time and avoid all the inconvenience of draconian laws concerning enterprises across the Atlantic.

If, as President Clinton desires, the USA should seek to limit public spending, he cannot paradoxically prevent increasing regulatory pressure. Indeed, to demonstrate to citizens that he is working in their interest, he has to enact new laws concerning health, safety or environmental protection, and these laws shall apply to all enterprises, be they American or foreign. Hence the latter must show great vigilance especially for the French enterprises which are under-represented in Washington compared with the presence of their European or Asiatic competitors.

And of course there still remains the problem of cost. Do the French enterprises have the means to acquire the lobbyist weapon to defend their interests? One should bear in mind that these costs vary widely: from 60 000 dollars per year for good quality monitoring and "reporting" activity, up to several million dollars a year when the enterprise may have its own offices. The scale of expenditure will depend, and that is normal, on the magnitude of the enterprise need on American soil.

## **E - The Japanese and lobbying <sup>44</sup>**

Over the past thirty years, the Japanese have managed to develop in the USA a complex and subtle lobbying, an expensive but very effective strategy with the public authorities of the country. This influence concerns matters which are mainly related to the economic sector and therefore not very interesting for the public. Take the example of the Toyota Company. At the time when the Japanese enterprise had sought a commercial customs duty free area in Kentucky, it had to face a vehement opposition by the U.S. administration.

The Company at last gained the right to establish thanks to a meeting with the Minister of Commerce, Malcolm Baldrige. This was possible because of the intervention of Frank Fahrenkopf who had accumulated services as a Chairman of the Republican Party and had especially been a lawyer to Toyota.

The Japanese have become *the* masters in the art of neutralizing the most virulent critics against them in a gentle way<sup>45</sup>. Their method is simply always the same: they offer a hostile American politician the opportunity to go to Japan to get acquainted with the realities of the country. This preparation is followed by a cycle of conferences which are paid about 5000 dollars for a person of average interest to over \$ 40000 for a feature. And then hostility often tends to decrease. That's how former President Reagan earned 2 million dollars for his conferences in the land of the rising sun towards the end of 1989.

There are many "Think Tanks" in Washington. They are very powerful organisations that meet in order to discuss economic and strategic issues, the "best of" research, university, politics, lobbying or journalism. These influential groups which are always looking for sponsors regularly find a Japanese group to help them. Free from their actions, words and thoughts, these sometimes critical thinking heads have to comply with some discretion when renewing partnership.

Although money takes up an important place, this slow strategy, which is based mainly on relations and struggles for influence, has led to the emergence of a lobbyist category in charge of modifying government decisions in favor of foreign countries and in particular Japan. Political influence is possible provided that one puts in it the price and procedure. Another important

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<sup>43</sup> Examples of the "Congressional Directory" published by the Heritage Foundation and updated every year..

<sup>44</sup> See also the writings of Mr Hubert MAIGRAT, President of UCANSS, on this subject

<sup>45</sup> Pat CHOATE, Agents of Influence: How Japan's Lobbyists in the United States Manipulate America's Political and Economic System, Knopf, New York, 1990.

sector for the Japanese is the bank. Indeed, for several years, the U.S. banks are investing less and less in local collectivities because of the limited profitability of loans. As the Japanese banks are eager to penetrate effectively and in a somewhat subterranean way, they took their responsibility for this market. The same subtlety goes for advertising.

The Japanese brands, engaged as others in comparative advertising, never attack American brands but prefer to blame the German or Swedish labels.

With this particular power and diplomacy, the Japanese have become the first lenders of the American treasure, its main ally in Asia and the first industrial investor in the USA.

The Japanese are more and more interested in Europe which is ready to becoming a formidable market. There are already using and will continue to use the same weapons as in the USA, adapting to what is best, depending on the terrain where take ground. Thus, after Washington, Brussels seems to be their target. For example, the European automotive sector. To achieve their ends and pierce the flaky wall erected against their brands, the Japanese have decided to put into practice the methods which have so far been successful in the USA: By creating studies on consumer associations to prove that restrictions make prices go up, putting European countries into competition for their investments, influence still hesitant countries to isolate hostile country better, attract free market supporters by funding the organisations which have directly been bought for their cause and, indirectly, those which are against it. It is high time to investigate their conduct and their behavior thoroughly in order to get a better understanding of their strengths and find their weaknesses. We must not forget that we are dealing with the Kings of International Consumerism.

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**Part 2**

**LOBBYING TECHNIQUES**

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## **LOBBYING: A STRATEGIC TOOL**

The enterprise participation to the public policy development is a necessity of strategic nature. The merits of such participation may be challenged as it is considered to be more or less legitimate by the entire social body. Some specific elements determine what behavior the enterprise is going to have with the State, as well as the circumstances in which a lobbying strategy can be considered and what the different options are. Whatever option is chosen and objectives pursued, we find that the enterprise must satisfy a number of prerequisites before it commits to achieve five stages that characterize the formulation and implementation of a lobbying strategy.

The lobbying strategies and tactics with which the enterprise can intervene amid the public authorities are multiple, pragmatic and evolutionary. The enterprise can choose, as required in the short or long term, to use pressure groups to which it belongs in its business. It can also use its own organisational services, or involve agencies that are specialized in this type of mediation. And in many cases, lobbying is practiced by the combined action of these three factors.

In this area, all the parameters are likely to come into play: management style and mentality specific to the enterprise, production sector, political, social and cultural environment. And one should not forget the intrinsic intervention in relation to the actual perception of the administration which is going to be solicited, the importance this intervention gives in its value and priority scale, as well as the specific skills it requires, be them either on a national or international level, or yet legal or regulatory level.

All these factors will influence the establishment of a lobbying strategy, the choice of tactics and identification of targets that will be used to achieve a positive result, i.e. influence a government decision.

It goes without saying that lobbying is not, by far, the only possible relation between the enterprise and the State. There is only one communication facet between the two parties. The "pressure group" term has for a long time suggested that it relates to power relationships which are based on influence struggles and conflicts inherent in these processes. But one must stress that lobbying remains – and this should simplify the debate - in many cases within the much more serene limits of a reciprocal collaboration where both partners bring to one another all the necessary objective information for any dialogue.

We know that the most constructive dialogues are the long lasting ones. Lobbying is no exception to this well established rule: its best results are obtained when its collaboration with the public authorities have become permanent, establishing its credibility beyond just any punctual claim.

The development of a lobbying strategy proceeds in three stages.

The first stage consists in laying the foundation of lobbying, the need to reach deeply within public policy, as well as its legitimacy in public opinion across the entire social body.

Secondly, we must deal with the complex data that define the relationships between the enterprise and the State by identifying where a lobbying strategy should be implemented for it to be interesting and by analyzing the different choices of this strategy.

Finally, the enterprise itself must meet certain set standards before embarking on a lobbying which is characterized by five specific steps.

### **1 - LOBBYING AS A STRATEGIC BASE**

In his book called "Competitive Strategy", the economist ME Porter says that any preliminary enterprise strategy must take into account all the aspirations of the company in which it fits.

In this vein a good business strategy must include lobbying in its plan by giving it the same importance as to production, marketing, budget and all its other functions. This has a good reason, namely that lobbying is an integral part of the business environment – an environment which is made up of a sum of many different components, the "stakeholders".

In principle, public policies are both the result and the catalyst for all the social aspirations of a nation. Therefore, they represent a wealth of strategic information of all kinds for enterprises, because they are based, in the case of social conflicts, on legal constraints and economic differences, which appears in the eyes of the legislator to go along the common will in the same way he tries to solve them.

The enterprise can make lots of conclusions from observing laws and procedures. New opportunities, orientation changes and social facts erected into rules all together contribute to learn about the collective evolution and will enable it to adjust its own operational policy and financial support. We can say that, today, the political "temperature" is part of the overall enterprise management, as it allows it to adjust closer to realities and also to anticipate law trends and opportunities they can offer to its productivity.

This, however, does not mean that lobbying is always justified. A too brutal action which is undertaken without any hindsight and without any analysis, may sometimes have the opposite effect than expected. Especially when lobbying legitimacy is questioned by state officials, as well as by public opinion which is the mirror of civil society. This is a further reason to establish a deep social and political review before any initiative and action plan.

The public image of lobbying is closely linked to the conceptual invention of democracy and moral values of society. It also depends on the very image of business from which this activity comes from. That is why lobbying has sometimes been associated with more or less legitimate attempts to influence the State decisions in order to safeguard interests.

An implicit ideology has also for a long time conveyed the idea that the State had to hover over some corporatist considerations of the private enterprise.

This last element is perhaps the most rooted in the mentality and did not contribute to give all its ethical credibility to lobbying.

However, trends have since some time going the other way, which makes it easier for information to reach both sides of these two complementary poles: the public authorities and private enterprises. Today the role of the State has been raised into question as well as the validity of some of its decisions. Europe is changing rapidly and, in general, the economic output has become a global affair involving enterprises and the States, which are intimately involved in the challenge of competitiveness and efficiency. The enterprise has regained its letters of nobility and, far from considering it as a "merry-go-round that keeps turning," the peoples of the world recognize both its importance and its voice.

Regarding state organisation, it also evolves along its ways: simpler bureaucratic structures and a greater specialization in the officials tasks confer it with greater mobility and a more efficient technology.

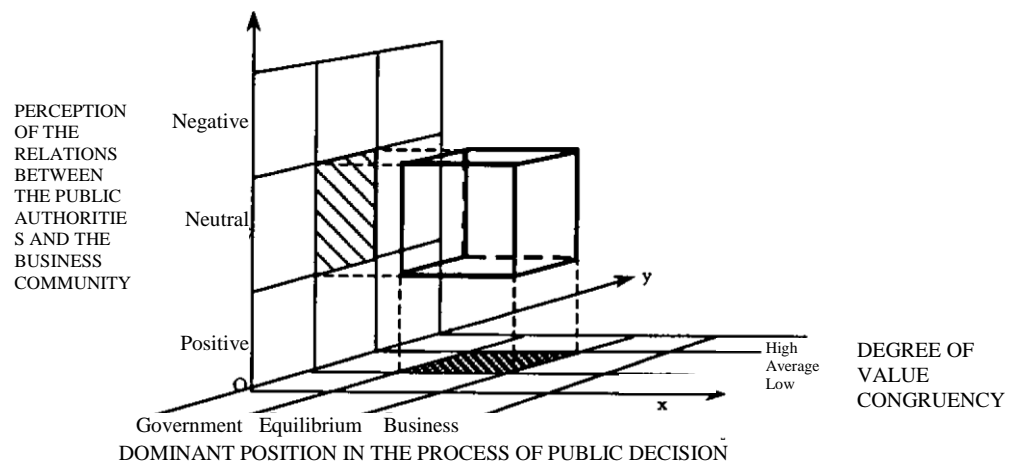
Economists are giving a close watch to this new situation as it is liable to release some major lines <sup>46</sup> in the light of the three elements summarized below. Congruencies or conflicts that exist between the values advocated and defended by the business community on the one hand, and those that are by public authorities on the other hand, and the power distribution and capacity respectively of both parties to influence the other are represented by the hatched area of the Ox.Oy plane. Finally, the impact of these relations on the whole society is illustrated by the hatched area of the Oy.Oz plane, and is regarded as neutral. Thus, the success of a lobbying strategy will depend on these three parameters and, ultimately, the outcome of their combination is illustrated, this time by the cubic figure inserted in the three-dimensional Ox.Oy.Oz space <sup>47</sup>.

#### THE DETERMINANTS OF THE GOVERNMENT RELATIONS AND LEGITIMACY FACTORS

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<sup>46</sup> See VV, MURRAY's diagram in Theory of Business-Government Relations, Trans-Canada Toronto Press, 1985.

<sup>47</sup> Lobbying strategies and techniques, Frank J. FARNEL & Patrick C. ROBERT, "Humanism & Enterprises, 1993.



Many strengths come into contention in the harmonization of lobbying and first the communication quality between the public sector and the private sector, their community of views, their complementary nature or in contrary their differences.

This communication lies in the hands of the different dialogue actors and depends, in turn, on the respective skills and real power with which they have been invested and which determine the quality of decisions, their fluidity and their impact.

## 2 – TIMELY ANALYSIS OF LOBBYING

Lobbying is part of an overall relation policy between the enterprise and the State. It will therefore emanate directly from the style of these relations.

If basic analysis can determine the lobbying strategy outline from these data, it can in no way obscure what is essential: the study practice of public service, both at the decision level as with the procedures it uses.

That is why the managers who are involved in setting up a lobbying process must adjust their behavior according to this practical knowledge.

One very often knows about a certain administration – and experience has proven this – if one has accepted that only empiricism has the force of law. Authorities are very rarely like one another in their operation, their hierarchy and their centers of power. At the European level, their evolutionary complexity is further increased by a proliferation of centers makers. The one of the country has also added up to that of Brussels and Strasbourg.

A lobbying strategy is primarily based on the persuasion strength of its managers. It's up to them to convince by expressing their beliefs convincingly.

At this stage, we can define certain processes as positive, like the ability to be immediately placed in a public interest optic within the argument, and demonstrate political realism.

This behavior is intended to recognize the legitimacy of such a political procedure, even if it does not go in the direction of the enterprise that is being represented. This is not to show a hypocritical diplomacy but to identify and formulate all the parameters of a given situation in order to establish one's own credibility and to lay the foundations for an open discussion.

A contrary attitude - the fact of remaining frozen in positions announced as immutable - will have the perverse effect as it shall increase tenfold the determination of the public sector interlocutor.

Integrity is vital in this relationship: the more rigorous, clear and honest information is brought to the debate, the more the consensus will be likely to be realized.

One may, for example, bring to the attention of public services an impact study of business because of a law that is being considered to facilitate the presentation and knowledge of this very enterprise amid interlocutors.

To collaborate, cooperate, seek facilities, improvements and solutions together: these are the preliminary analysis keywords of the political terrain, which, in this context, is no longer seen as an adversary but confrontational partner of a problem to solve.

We have seen that the character of lobbying comes in direct line with the quality of relations between enterprise management and public authorities. Although the enterprise economic importance is directly proportional to its impact with state representatives, one should not minimize the considerable input, for conviction effectiveness, of experience and knowledge of the public terrain with its social and political processes, its constants and especially its variants.

After analyzing all these parameters, one can identify three possible position for the enterprise in face of the government:

The passive position in which it is confined in the observation of decisions, all the while reserving its reaction upon governmental decisions.

The active position in which the enterprise seeks to amend the public initiatives in line with its own interest, according to a well-defined program.

The position of anticipation in which the enterprise proposes to identify policy decisions in order to know better how to minimize the disadvantages and to maximize its benefits, without however attempting to influence their development.

Since the late forties, experts have examined the relationship between the private sector and the public authorities in order to identify the constants. They have found four main processes.

The first of the relational possibilities has been called the *Mutual accommodation* by the American and Canadian observers.

This *cooperation* aims at establishing the so-called "social contract" by proposing a division of tasks and respective responsibilities between the two interested parties, enterprise and political leaders. The purpose of this mutual perspective tends to maximize production and economic growth with greater social harmony.

In this case, There is a role division. The public authority is responsible for setting up the social project and the private sector realization of strategies.

It is obvious that the success of the social contract is linked to the consensus between both interlocutors – a consensus which requires the broadest understanding and knowledge of the terrain for both partners. You cannot always use this, particularly in situations where the effectiveness of the state intervention is challenged by enterprises.

The second option is that of piecemeal. The enterprise decides to discuss with the State starting from a given case, law, procedure, decision. This intervention occurs when its own analysis goes against the legislature's analysis in relation to his general interest conception.

The piecemeal approach, known as ad hoc, means a flawless examination of the social and political context, which alone can assure him sufficient credibility.

The piecemeal method indeed supposes an anticipation possibility in the analysis and quick answer, a sort of reflex whose gymnastics requires the gift of grasping all the parameters of a situation which, without forgetting to identify the ones who are truly responsible and whom one should address and provide with arguments.

The ad hoc interventions, in terms of lobbying, are generally conducted by professional associations in the concerned business sector which are in a better position to grasp the data with a collective vision.

The mission of the associations consists precisely to maintain constant contact with the state, allowing them to be updated with the intentions and government projects.

Thirdly there is the *direct political faction*. More popular in North America than in European countries, it is based on the principle of inter-activity.

Since the private sector recognizes the State's legitimate right to intervene in the functioning of enterprises through market laws, the leaders of the private sector also have, in turn, the possibility to participate actively in political decisions.

This attitude often leads, on the other side of the Atlantic, some leaders to a personal commitment in the political system and governments where they have become the voice of business.

The *indirect political action*, the fourth intervention options of lobbying, is played with the emergence of pressure groups and of the "Vox populi."

This "mass" strategy is organized around the coalition between the concerned enterprises through the refusal or defence of such action, along with opinion and awareness campaigns and also with the additional polling, public relation enterprises, media and others.

The necessary means for *direct political action* suggest a more appropriate structure power for large enterprises which should also have a strong popularity and the agreement of the majority within the public opinion.

As we have already pointed out, the five major stages which establish a lobbying operation can be summarized in the following way:

- 1 ° Define the business objectives.
- 2 ° Select all the matters which shall be monitored, analyzed and call for an enterprise intervention.
- 3 ° Identify the targets that the enterprise intends to influence: inside the government apparatus, outside the government apparatus as well as the appropriate to intervene.
- 4 ° Select the lobbying techniques which must be used:  
direct lobbying, indirect lobbying.
- 5 ° Implementation, monitoring, evaluation.

## **A - Identification of the objectives**

These objectives must obviously be determined depending on the identity of the enterprise which is undertaking a lobbying strategy. They depend on its production, its importance, and so on.

You can define three types of objectives:

A) The enterprise seeks to reduce the cost that an inevitable law will lead to an (for example: a general intervention relating to ecology <sup>48</sup>).

B) The enterprise is looking for ways to benefit from a government decision or to minimize its impact (for example, export quotas, tariffs, subsidies, redevelopment funds, etc.).

C) The enterprise wants to intervene to challenge an unfavorable measure (for example: a regulatory or tax measure) so as to make the State either repeal it or agree not to intervene.

D) The enterprise is planning its participation in the preparation of state, sector or general actions.

## **B - Selection of the different issues relevant to lobbying**

This phase is the careful analysis of the social and political environment, similar to the observation that the enterprise may make concerning technological development.

This observation allows you to update the bundle of questions of economic, public and political interest, which can play a role in the internal workings of the organisation and establish, after examination, a hierarchy of priorities for action.

## **C - Selection of the targets and of the right timing**

The intervention effectiveness of a lobbying depends primarily on the selection of those who actually take decisions within the government, hence the importance of this phase.

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<sup>48</sup> Lobbying: *Strategic Environmental Communication Tool*, Frank J. FARNEL, in "Green industry", Editions L'Approche, 1992.

The targets can be manifold: sometimes within the political and bureaucratic system, sometimes outside, if one chooses a lobbying way that involves the public, agents, etc.

The targets are not necessarily all the elements - people and services – which are officially involved in the process, but those who wield real power, both psychological and material.

The target profile changes at each given question, which explains that any normalizing initiative is relative upon establishing rankings which are a priori irremovable.

Also note that the impact of the State decision-making varies along with the countries. In the USA, the legislature can intervene in the private sector and control it to a large extent. Elsewhere, as in France, the Council of Ministers has almost full executive power – a power largely facilitated by legislation or yet further strengthened by the ministry and the majority support of the public service whose officials are often appointed by the same Council of Ministers. In these cases, the state makes the bureaucracy responsible for enforcing laws and decisions so that the targets become de-multiplied.

At this level, the senior officials and intermediaries are the most frequently requested by lobbying.

The community forums are an even more complex feature. As it is focused on the European Parliament with its technical experts, its political commissars and representatives of all Member States, they enable lobbying to intervene on three levels: the European Parliament - Member States - Council of Ministers.

Lobbying actions must be differentiated along with the interlocutors, so as not to overlap in time and to find very distinct arguments and spokesman, or it might sink.

Generally speaking, in the light of past experiences it appears that the private sector comes too late when the orientations or future laws are on the verge of being officially endorsed. All professionals are formal: it is when the measures are being drafted that lobbying has the greatest chance of succeeding, because it will then rely more on mutual information which is circulating between both partners than on pressure.

It is never beneficial to have an almost completely drafted measure which has already asked for a lot of thinking to then see this measure be ratified by a political consensus, as the policy might take offence of the dispute of a fact that it considers settled at that time.

"Early" lobbying should not be undertaken in a discrete and "secret" spirit but with an idea of anticipation, so as to be integrated in the political creation process. And one should not forget the need to take the image of politics into consideration. A government which has announced a major media reinforcement, a new focus, will inevitably be less inclined to accept going back so as not to question its credibility in the face of the public. Therefore, lobbying can only negotiate possible amendments to the policy which has been decided without its intervention.

The targets must be identified from upwards downwards and then back upwards within the political hierarchy, in the interim administration among senior officials and among Ministers.

The choice of the targets and intervention timing also determines the lobbying tactics which must be used, be they direct or indirect actions.

## **D – Tactics of intervention**

The table below <sup>49</sup>, which summarizes the various lobbying tactical intervention, calls for the following comments.

The *direct Lobbying* tactics are found in the public or private contacts of the enterprises with the target interlocutors it has identified as being the most appropriate to serve its projects.

The *indirect Lobbying* tactics disclaim all "mass" actions, as well as some legal remedies.

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<sup>49</sup> CORRADO F., *Media for manager*, Prentice Hall, Englewoods Cliffs, N. J., 1984, pp. 92 and S. (See also about this topic: Conflict PR in the Formation of Public Opinion, "Public relation quarterly", 1983, Vol. 1983, Spring, pp.28-31).

The *financial Lobbying* tactics and "questionable methods" speak for themselves, and clearly show the need as in the USA to provide this trade with a legislative protection framework for the public authorities, the represented interests and the lobbyists themselves.

As for coalitions, they include the professional associations of the concerned sectors, homologous organs and pressure groups, etc.

## **TACTICS AND LOBBYING**<sup>50</sup>

### **DIRECT LOBBYING**

- **Personal communications, presentations, contacts**
- formal and informal meetings
- formal presentations, briefing
- letters
- telephone conversations

### **INDIRECT LOBBYING**

- **campaigns letters**
- individual "initiatives"
- "initiatives" by third parties (lobbyists)
  - **public relations campaigns**
  - speeches, articles, media coverage, press campaign
  - criticism of the objectives sought by opinion leaders
  - protest marches, meetings, crowd movements
  - partisan advertising
- **Legal and judicial procedures**
- call into question the constitutionality of the statute or regulation
- appeal the decision of the government or of administrative agencies

### **"FINANCIAL" LOBBYING**

- **Contributions to political campaigns (party, candidates)**
- financial contributions
- contributions in kind (support services)
  - **Fraudulent contributions**
  - bribes
  - guaranteed jobs, excessive fees, gifts, etc.

### **QUESTIONABLE PRACTICES**

- **Distortion of facts, lies**
- concealment, obstruction
- withholding information, concealment of facts
- methods of intimidation
- personal attacks, discrediting opponents
  - **Dilatory procedures, obstruction techniques**
  - unfounded prosecution (process delaying)
  - excessive paperwork to extend the process of analysis
  - **Co-optation**
  - neutralize or call into question the supporters of the opposing party through offers of employment or other benefits
  - commit the experts that could serve the adverse cause to dissuasive fees

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<sup>50</sup> Adapted by CORRADO.

## **THE COALITION ORGANISATION**

- **Coordination of the lobbying with other pressure groups**
- **Political market (exchange of "good intentions")**
- **Corporate Campaigns ("Good Corporate Citizen Programs")**

## **E - Monitoring and evaluation**

The monitoring of a lobbying strategy implementation goes beyond identifying the target, the time of intervention and the tactics of action. It must remain constantly open to all developments that may be needed during its process.

This monitoring should include the methods and style of interventions as well as the need of constantly calling into question the intermediaries or agents. And we haven't mention here the possible public opinion evolution on the issue and the emergence of new pressure groups.

This means that lobbying strategy is never quite defined in advance and that it must constantly know how to deal with the maze and movements of a social, political, economic and cultural environment which is evolving all the time – an environment where lobbying comes from and which it intends to serve as best as possible.



## OBJECTIVES AND LOBBYING

In order to obtain the greatest number of positive votes when deciding legislation, lobbyists must follow five basic rules.

### 1 - THE TRUTH AND NOTHING BUT THE TRUTH

*"You are sometimes told  
-- this is a fact --  
bow before you the facts.  
In other words "believe".  
Believe, because here mankind has not intervened."*

**Paul Valéry**

The lobbyist will be appreciated if he or she uses the correct vocabulary. The words he uses can be transformed into legal force. As language is very important in politics as a result of nuances, shady meanings and subjectivity, the lobbyist is challenged to be honest both in the context of the interests representation they have to defend and in his political environment.

The lobbyist must also avoid any omissions that may hide some realities for an efficient understanding of the actual political situation. If the lobbyist forgets the truth, the legislator may engage in a text without really having a sense of the obstacles, which could then lead to the worst consequences both personally and politically. The lobbyist's wrongdoing by ignorance, stupidity or omission, will undoubtedly make the MP turn against him, which is bound to render his future uncertain. If one of the lobbyist's tactics is not to distill too much information, the legislator will have to suffer a major handicap at the very beginning of his action. Information is power. True information will always have more strength.

### 2 - NEVER PROMISE THE MOON

It is easy to find extravagant promises: for example, the fact of promising an enterprise specialized in alcoholic beverages that sponsoring, prohibited by the EVIN law for the tobacco and alcohol advertisements ban, will be restored by a simple political act like introducing a legislative act called DMOS (Fr. for *Diverses Mesures d'Ordre Social*, Engl. Various Social Measures) to the National Assembly, without helping awareness among neither the public opinion nor the opinion leaders through a total direct and indirect lobbying campaign (the lobbyist must indeed be able to "create" a favorable social atmosphere related to the legislature to be sure of the vote on a text which is an exception to a public health measure). It is equally senseless to promise to a legislator that votes have been acquired while they have not. If a lobbyist ensures that one or several coalitions will help the legislator with his task, he must absolutely have this promised become true. The lobbyist who promises a businessman that he will be helped by his unions and employees, must provide tangible and final proof. If the enterprise President for which the lobbyist works has in mind to ask personally for the help of a deputy or senator, it is in everyone's advantage that his demand is transmitted.

Success depends on the sensitivity of a lobbyist to control the resources that can be implemented to achieve the planned objective. It is preferable that a lobbyist underestimate his capabilities in getting the possible votes on a text, and lets his action plan provide results which shall speak for themselves.

### 3 – LISTEN TO UNDERSTAND

The French language contains ideal metaphors which can give a sentence a different meaning than what one understands directly. This is also true for the other spoken languages of the planet. The world of politics, diplomacy, negotiation and business offers to languages the ability to develop fully. The lobbyist must be able to see through the acronyms used by his customers in order to translate any expressed requests which should blend in the word world of politics, of the more hermetic world of lawyers, the ordered one of the administration and of the heated debates at the Consultative Assembly. The terms and protocols must be known and well assimilated provided that the attention remains over a long period of time.

If the lobbyist wants to find his way in these different vocabularies, he must comply with a number of rules, the first of which is listening – a rule that should apply at all power levels (MP, Senator, commissaries, parliamentary associates, cabinet chiefs, ministers, etc.).

The lobbyist must also be distrustful, and understand the exact meaning of the following expressions:

"I fully agree with you on this point ..."

"I think we can do something ..."

"I think you have a good case ..."

"I want to help you ..."

"I could accept what you're asking me ..."

"I'm on your side ... but is this the case of the President ?..."

It can sometimes happen that Members who have verbally promised to the lobbyist the vote of his thesis does exactly the opposite, claiming last minute the circumstances. Although such actions are quite rare, especially if the elements have been correctly submitted by the lobbyist, the legislator sometimes acts in this way. The deputies or senators will always have an "exit door", an umbrella to open up if a conflict should force them to take their promise away. This is for example the case of strong and determined pressures exerted by the opposition, or the vote on a text opposed to the interests defended by the lobbyist but of a greater importance than these interests. These reversed situation must be considered and anticipated by the lobbyist upon implementing his action plan.

In any tight election and of whatever nature, the voting intentions always go beyond the actual votes as they appear afterwards. Some institutes like the EPSY in Europe are specialized in this type of analysis. Their advice is often very useful to large enterprises on the eve of important dates. The former Democratic Senator of West Virginia State commented on this fact to the press in these terms: "I can read in the eyes of a person how he's really saying what I'm really hearing from him. My first idea is to always tell myself that if a senator has not explicitly said he was going to vote for me, even if he says things like "I see no problem" or "you've got no reason to worry about this," I shall then count him among my enemies on the debate and voting day <sup>51</sup>».

If listening is a fundamental and first key, the votes that will support the text which has been defended by the lobbyist must still be counted, which renders counting skills the most important key for a legislative victory.

The strength of the lobbyist is to be able to judge the legislator's credibility. He must first of all know both this legislator and his administration, observe them in action, analyze the power of their speeches in face of vote results. The good understanding of all these elements will then enable the lobbyist to find out the true meaning of a deputy's words when the latter tells him: "I am with you"

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<sup>51</sup> "New York Times", Washington Talks, 21 September, 1988.

## **4 - WORKING WITH PARLIAMENTARY ASSOCIATES, IN ORDER NOT TO FORGET THEM FOR THE SOLE BENEFIT OF THE ELECTED OFFICIALS**

In order to establish a trust contract with a legislator, the lobbyist must first of all go by his administration – parliamentary associates for members or commissaries and members of parliamentary and senate groups. Lobbyists often attach a great importance to the personal relations they may have with parliamentarians and senators, but they must never forget the fundamental role of the team upon which lawmakers rely mainly on the eve of their decisions. It is impossible for a parliamentarian, who is burdened under national, municipal or other responsibilities, to be fully aware of all the issues on which he has to take action. This staff will therefore help him to have good judgement, and also guide and assist him, and shall appear to be the first line of defence of the parliament from which one must absolutely have support.

This staff tends to quickly assimilate the behavior and judgement traits of deputies or senators for whom they are working. This results from both their willingness to work for a precise person who has a clear positioning on the political scene, and this also comes from their ability to build a trust relationship with elected officials. Gaining the trust of the legislators' administration is of paramount importance if one must win the trust of lawmakers. These relations shall then also have to be maintained once they have been established.

These mini-administrations differ from one another according to the authorities, be they a deputy or a parliamentary group. This responsibility stratification always exists even if the style of each group is different.

The legislator staffs are represented by people who have acquired important knowledge on many issues, on political parties or various committees. They are by their nature a vital resource for both the lobbyist and legislators. The lobbyist commits a serious judgement error if he neglects them because this would cause them to be distrustful and to systematically oppose any of his suggestions which may yet be relevant.

The lobbyist would have to pay a very high price if he became alienated by the administration. Personal relationship with a deputy or senator may truly exist for other reasons (personal, political, etc.), and they can be maintained without having the intervention of the parliamentarians. But the ability of creating good relations with this administration shall give more weight to this relationship, and a member or senator will always be grateful if a lobbyist shows good manners with his staff.

## **5 – BE AWARE OF SURPRISES**

Politicians absolutely hate surprises. A legislator should never feel imprisoned by a lobbyist. It is therefore essential to analyze the elements of surprise in any lobbying strategy.

The legislator and his staff must be informed in advance on the media or what degree of opposition there is for the vote of a proposal or bill that the lobbyist is trying either to promote or to prevent. Before embarking in anything, the legislature will logically want to know whether a proposed legislation is supported by various interest groups, unions, the business world, etc. All these elements must be reported by the lobbyist who must be able to anticipate them. This will enable the legislator to hear these elements in the first place from the mouth of the lobbyist who may, in turn, prepare some counter-arguments which shall serve as the first line of defence. By being the first to issue his message to key legislators and their respective administrations (especially in notifying them of development possibilities contrary to the defended interests), and by placing it in the best possible context, the lobbyist shall then be able to counter any surprise effect and deprive the opposition of any action from the outset.

Deputies and senators also need evidence to estimate their electorate stability, especially in regard to local economies. Large enterprises and their employees are often the most important economic, political and social actors in local communities, so that the legislator is liable to give

quite some importance for them to do well. Lobbyists must therefore ensure that legislators have all the necessary information. Although the good news (plant expansion, an agreement with unions, a government grant, a program of good citizenship, etc..) must be shared in real time, any bad news must be shared in the same way before it becomes public information. Enterprises often have a hard time to engage in such an approach. But the closing of a business, hostile enterprise takeover actions, redundancies, legal actions for litigious matters or action aimed at fighting against a State agency in its decisions, require high-speed analysis and intervention. A good lobbyist is judged by his ability to take initiatives on the spot.

It happens too often that enterprise representatives rely on their own electorate (employees, management, stakeholders and media) and ignore the political dimensions of their actions. Such inattention will directly make the opposition play a certain role, and it will also diminish the credibility and political influence of the enterprise and of its lobbyist. It is therefore very important to show vigilance at all times and to be sure whether the environment is either favorable or unfavorable. The credibility of the lobbyist is here at stake. By removing the element of surprise, by anticipating events and acting the first, the lobbyist shall then be able to neutralize the opposition which he would in any way have to meet in the maze of his acting.

## **THE FUNDAMENTAL METHODS**

### **1 – FIRST OF ALL, YOU MUST KNOW WHAT YOU WANT**

As Mr de La Palice would put it, every lobbying practice must start at the beginning and then move on one step at a time. For each visit he makes, the lobbyist must ask himself a number of questions: what is the purpose of having this contact? Is it to give or to get information? Is it to get votes? Is it to encourage the opposition in face of a growing event? Is it to alert and provide a perspective on the positions which must be taken?

It is crucial to define clearly the purpose of the visit because legislators have a limited time and, being constantly in the limelight of the media, they cannot handle day-to-day issues which require long term strategies. In order to have efficient appointments, they must either occur in phase with a most important event for legislators, or be in relation to an imminent event. The legislator shall always have be attentive to any information given in advance and those who hold this information shall hence be privileged.

The legislator and his team will give their priority to problems which must be treated in emergency. This round of ministerial and legislative activities explains that legislators and interest representatives tend to react to a problem at the same time, which creates an unreal atmosphere mingling with frenzy and pressure. This is inevitable when hundreds of political vectors converge at the same time on one specific point, such as an inter-ministerial meeting, the vote of finance laws or the various social measures that give rise to a real legislative marathon. The important elements will be better listened if they are properly specified and well targeted. It is likewise anti-productive to take time from legislators or their helpers in an unnecessary way to discuss a still unsettled strategy during parliamentary debates while the case is still under study within the commissions. Similarly, it is awkward to ask for a legislator's agreement on issues which still have to go to a mixed joint committee in a very long time. The lobbyist must foresee these alternatives which are liable to turn up with time and be prepare for them.

Organisations, unions, corporations, interest groups and associations have special needs which are estimated well in advance, and they all prepare plans on the long term. The Parliament and Senate agenda contains many dates during which it is possible to discuss a case (a parliamentarian will be much less accessible during discussion periods and when the budget is being voted). In order to select the appropriate time, one must be able to anticipate and assimilate both the Consultative Assembly rhythms of life and the political calendar in an intelligent way.

The objective of the lobbyist may be reached if correctly analyzed tactics are properly at the outset. These tactics are developed in line with a predetermined plan of action.

### **2 - KEY PLAYERS**

Successful lobbying will depend on inter-personal relations which have been established over time: Who are the politicians? Where do they come from? What are their motivations? Why did they chose politics?

The lobbyist must be able to interact his information because information and the understanding of his practices are crucial.

Study, analysis, thinking, direct investment and participation in the legislative process are necessary elements. As politicians are public figures, their path is always visible. The best way to know these people is to observe them directly in debates in the Consultative Assembly or Senate. That is where their political traits can be recognized the best. By analyzing how they can vote, it is possible to understand their thinking and prepare appropriate strategies. The lobbyist can also draw conclusions about the degree of respect that a politician is able to attract. He may

represent his interests in the context of debates in the Assembly. Every politician is unique and one must take both his qualities and defects into account before approaching him and offering him a case.

The understanding of each politician's personality, of his ideology, his views on the world, his interests and motivations are all elements that will dictate the approach strategy and tactics of a lobbyist. In addition, each problem is different and contains in itself the possibility of reactivating or create new coalitions. A socialist who would often vote with the centrists might, at a time, decide to establish additional and better relations with colleagues from his party, or with a committee chairman. A deputy or a senator who is very severe on defence or foreign affairs problems, may be more liberal for social rights. In some cases, it is possible to unify some policy makers, ranging from the extreme left to the extreme right, with the prospect of an alliance.

### **3 - KNOWN ABOUT PUBLIC OPINION**

Every proposal or individual project must be explained by using public interest arguments for it to eventually become law. Our legislators may in no circumstances perform differently. If they did, their integrity and that of the assemblies would be in danger. It is important for the lobbyist to keep in mind that the purpose of a motion or a bill, or the support by any Member, must always be kept within the logic of public interest. If a lobbyist fails to comply with this obligation, his efforts will be useless to begin with.

For the public, and even within assemblies, major disputes such as the right to cable television in relation to film makers interests, money-saving industries and banks, monopolies, and so on, are understood as all-or-nothing battles between private interests. But the arguments of each side are covered by public interest and consumers profit (for example, competition, diversity, easier access to services, or costs). Members who have committed themselves in their explanations will never say whether they want to be on the side of the richest and most powerful; instead of this, they will always argument in favor of the public interest and its imperatives.

Lobbyists must follow these rules and focus on the current social order to analyze in a better way and seize opportunities which are likely to make their cases progress. History follows cyclical changes in ideology and current realities will reflect the different themes that change. In the USA, during the Reagan era, the major programs of the 60s and 70s on civil rights, consumer protection, environment and human rights protection organs, have been followed up by setting a limitation on household expenditure, on military spending expansion, deregulation or tax reforms. The effective lobbying of the 1980's cost little or no money thanks to the military-industrial complex which was fighting against the government interventionism. During this period, any request that did not comply with this ideology had more difficulty to be followed up.

Public interest justification calls for precautions in view of conflicting political ideologies. Members must be aware of general political programs which are set up by governments. A law becomes effective after the successful result after a large consensus.

A pragmatic approach to influence ideologies goes through the direct appeal to people, by referendum vote or by Grassroot operation. The success of such operations will depend on the power of political pressure, and the place where they can come from. A member may vote in a different manner from that of his party if the interests of his commune request it. The process is sometimes blocked especially when two communities come face to face, as was the case of the green party against the interests of coal enterprises. The lobbyist must be able to find a solution to this problem, by for example arguing on the importance of the loss of these industries for the whole community.

The power of the lobbyist's arguments is related to his knowledge of political processes and it also comes from the declination of the common or public interest, which requires his intervention on behalf of political and / or private interests.

## LEARN TO COMMUNICATE WITH THE MEDIA

The lobbyist must know how to communicate with the media, an important tool in his arsenal of tactics. The issue is to convey a specific message which has previously been defined, to the attention of a well-targeted population through the filter which the journalist represents.

This is because he shall have to deal with journalists as part of his activities, for which the lobbyist must be perfectly familiar with the rules that govern interviews, written and oral communications. If they can be applied to other specialties, the mastery of these rules is fundamental for the lobbyist.

During the interview, the lobbyist must understand that he is responsible for what is being said. He must therefore continually lead the journalist and give away just what is necessary to reflect the position properly, exactly as the lobbyist's client would like to see. To achieve his goal, the latter must apply a number of rules which are shown below.

### 1 - PREPARING TO BE INTERVIEWED

#### *a - Have a thorough knowledge of your case*

The key to conduct an interview properly is to know the case you want to get across perfectly well. The lobbyist must know what he wants to see appear in the media.

These few points must be the central point of the interview with the journalist.

#### *b - Use figures*

Journalists are often keen at having figures to illustrate their articles – figures must illustrate the veracity of the story reported by the lobbyist perfectly well. One pitfall is to think that we can give figures because they are confidential, but it is always possible to provide the journalist with (by definition more general) data or statistics which are known to all.

The lobbyist may suggest the journalist to ask some very specialized issues to other persons or organisations (SECODIP for example), in the case of information on marketing budgets.

When the lobbyist really cannot disclose figures, it is quite logical to note that the requested information is confidential for his client. But we must be careful not to arouse the suspicion of a journalist, and it is preferable that the lobbyist tries to answer questions, at least in general terms.

In doing so, the lobbyist will protect himself all the while maintaining the communication possibility between the journalist and himself.

#### *c - Use a clear language that can be cited by journalists*

A journalist is on the lookout for "short sentences" (see on this issue a column of the magazine CB NEWS COMMUNICATION entitled: "The short sentences of the week"). A sentence should be able to surprise by its contents and it must especially be short. The used language should be direct and must summarize a problem or position, using for example a metaphor or an analogy.

During the interview, the lobbyist must not use any defensive or negative term that will inevitably be repeated by the journalist. For example, "We no longer do that ...." or "It was not a failure, we have improved that product since ..." or "Do not think that I'm being vindictive when I'm telling you that ..."

#### *d - Put yourself at the place of the journalist when he is writing his article*

The lobbyist must put himself at the place of the journalist when he is writing his article. The article will go beyond what has already been reported. The journalist will have to investigate with many people in enterprises that deal with the same subject (for example, all the tobacco

enterprises in France were questioned by the press on the subject of so-called "DURIEUX" Decrees<sup>52</sup> which banned smoking in public places).

The lobbyist must be able to assist the journalist in his research, providing him with information in a totally understandable language so that his views are transcribed as he wishes.

***e - Know the audience you are addressing***

It is important for the lobbyist to know that through the journalist, he is aiming at his target audience directly.

Journalists are very different from each other, and we should not underestimate this point. They have their own ideas and personalities. They may face the lobbyist with a favorable or unfavorable a priori in relation to the submitted case. The lobbyist whose main objective is to reach the journalist's audience and / or readers, must therefore be careful not to fall into an interview / interviewed relationship and he must remember that an interview is not an intellectual discussion, a debate or dispute.

Always treat journalists with courtesy and professionalism even if some questions or behavior may turn out to "disturb".

A journalist prefers to talk with someone who knows his subject and who does not merely repeat what the reporter already knows and what is contained in the annual report of the enterprise.

***f - Determine the key points***

You must be able to tell a story in just a few sentences. In general, communication practitioners recommend three key points. The number "3" is reputed to be still very central, it should actually be considered as a "symbolic" reference for the lobbyist in this type of exercise: three key points will be more easily accepted by people who listen to you. Any language which is expressed in three points is already unconsciously structured.

In addition, three key points are sufficient to firmly support one's point of view and keep control over the timing of the interview. We must of course answer to questions, but always ensure that transitions are properly made in order to keep the canvas of the story.

Finally, we must systematically get more personal messages. Each of us must be able to describe his or her job and responsibilities properly. The question that comes immediately to mind is that of the journalist asking: "Please tell me what your job is about? What is lobbying?". The lobbyist must be able to explain why he is the best interlocutor. It is not an exercise to give his personal opinion on the subject in question, but the effective way to strengthen the credibility of the lobbyist, his case and the interests he represents.

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<sup>52</sup> The name has been borrowed from the Health Minister who, at the time, was Mr. Bruno Durieux



### ***g - Be able to anticipate***

A good communicator is able to anticipate the different issues (especially sensitive issues). Therefore, standard replies should be prepared in advance, and in a sufficiently flexible way so as to enable as many transitions as possible in accordance with any possible requirements. The best way to prepare for this type of exercise is to let a person outside the handled case play the role of the journalist. These consultants in communication must be real specialists. The Burson-Marsteller agency for example, is renowned for its expertise in this area.

Before the interview, it is essential to collect a maximum of information on the journalist, his writings, the analysis of his positions, his individual interests, his style. It is also useful to know what the stage of his research is at the time of the interview. It is sometimes wise to get in touch with people who have already been dealing with this journalist on the same topic, in order to try to ascertain the length of the interview and to find out what the journalist intends to do (a two-page article, or a "brief" three lines, a complete release or a ten-second broadcasting on television?). Finally, one should also know when the journalist will have to produce his finalized article.

If the lobbyist has been well prepared to answer the most difficult and if he knows how to "put" his three key points properly, it will be much more comfortable for him to talk to any journalist.

## **2 – THE IMPORTANCE OF THE TRANSITION**

All the attention must be paid to "transition". The most commonly used transitional are as follows:

- ... Interesting remark but let me remind you that ...
- ... Before the transmission come to an end, I'd like to remind our viewers ...
- ... It is important to remember ...
- ... What I really want to talk about is ...
- ... What is more important, ...
- ... And do not forget, ...
- ... Before we leave this subject, let me add ...
- ... This is not my area of specialty, but what I can tell you ...
- ... This way of seeing things is correct, but I think your viewers would be interested to know that ...
- ... The reason why I am here today is ...
- ... Let me add ...
- ... This reminds me ...
- ... Please let me answer by saying that ...
- ... Let me give you some information (or history) ...
- ... Let's look at it a little closer ...
- ... This is important because ...
- ... What I mean ...
- ... Another point to remember is that ...
- .. Now that you talked about ..., let's turn to ...
- ... You probably wonder why ... is true ...
- ... Although this issue is certainly important, keep in mind ...
- ... As I said ...

### 3 - THE INTERVIEW

*"Do not allow for any a priori  
if you can check it out"*

**Rudyard Kipling**

The lobbyist must always stay focused and keep control of the discussion and his words.

It is crucial to decide in advance what behavior to adopt and to maintain it. If a question is raised and the answer known, one should not hesitate to respond in a negative way, even if it means going back to it later. If the issue is too "sensitive" for an answer, one must explain why. You can for example say "a trial is presently dealing with this issue so that I cannot answer you today without having myself intrude in the role of justice", "The X Company has not yet stated anything on this question", "I cannot answer your question without providing information to competition."

In an interview, one should always proceed with caution, but without any hesitation. Here are some additional recommendations concerning the interview itself.

#### ***a - Keep control***

The lobbyist must feel invested in a mission to get his message across and to have control over the interview. He should not hesitate to explain and highlight key points that must be understood and accepted, or at least heard. The used examples must be the most accurate and the best illustrated possible. If the answers which are given to some subjects turn away from the lobbyist's mission, his "transitions" must be enable him to resume the control of the situation. The main idea is not to prevent the journalist from doing his job, but to have interest and enthusiasm prevail so as to insert key phrases in a better way.

If a journalist has made a mistake by providing erroneous information, he must be corrected with courtesy. The interview is an exercise that a lobbyist shall have to practice throughout his career (many newspaper articles dating back several decades have emerged to the surprise of those who had been interviewed, which is a very normal process in politics, especially in the USA). So any given information is absolutely essential.

#### ***b - Turn the negatives into positives***

If negative questions are raised, they should be transformed into positive ones. To a question like: "Didn't your product affect the market?", the answer could be: "Absolutely not, we have always endeavored to provide our consumers with a level of very optimal service, which has always given satisfaction to solve their problems."

One must therefore never answer in the negative. The use of transitions becomes a very useful tool which one should not hesitate to use.

#### ***c - Avoid any technical terms which only the professionals know***

Each enterprise has its own language which, unless it is changed, the public cannot understand. It is necessary to use a language which is accessible to everyone.

#### ***d - Be careful of any "off-target" remarks***

Interviewees are far too often caught in a trap. They should never make "off-target" remarks, tendentious comments or engage in doubtful humor. An "off-target" remark can also be an accident that took place while preparing for the interview. Nobody has forgotten the US President's words, Ronald Reagan, in his message to the American Nation: "My dear American compatriots..., the bombings on the Soviet Union shall begin in five minutes." The president was training before his speech, but was unaware that the microphones had already been turned on.

The tone of the lobbyist, his way of being, and his comments before, during and after the interview should always be the same, as well as the content of his story.

***e - Be honest with your answers, also know how to refuse answers***

A journalist will usually be specialized in the field he is interviewing. It is therefore essential for the lobbyist to be absolutely certain of the information he will produce. Otherwise, he should never be ashamed to say to a journalist: "I do not have the answer to your question, but I'll do everything I can to provide you and your listeners with the correct answers to these questions; I do not want to give you inaccurate information."

Obviously, for these same reasons, the lobbyist should always refrain from lying.

## **4 - ADDITIONAL ELEMENTS WHICH MUST BE TAKEN INTO ACCOUNT DEPENDING ON THE TYPE OF INTERVIEW**

***a - The consumer and professional press***

The consumer and professional press are the two "poles" of the press and is made up of a wide readership for one and a highly specialized for the other. Between these two media, there is a variety of different audiences.

The professional press is becoming increasingly competitive: so a journalist will not necessarily have a very positive attitude vis-à-vis the enterprise that the lobbyist represents.

Moreover, the knowledge the lobbyist has of the enterprise is not always valued. He must therefore explain things in a language that is clear and understandable to these journalists. The explanations and background are the two key elements which must be remembered when speaking to the business press.

***b - Television***

Television interviews give some problems to lobbyists.

The environment of a television studio: the lights, cameras and heat spots are elements that may distract attention. Anxiety may arise in response to knowing that the broadcasting in which one is involved will affect several million people.

It is therefore important that the lobbyist makes an effort to adapt very quickly to this particular environment. In order to do so, he should be at the studio ahead of time so as to look around and become familiar with the stage where technicians are operating and which can be elements of potential distraction.

It is important to stay yourself. You should know that television magnifies everything. So the lobbyist will have to erase his language tics or behavior, without going so far as changing his personality, and remain at ease and self-confident. It is indeed possible to be filmed from different angles at a time, which can sometimes bother a person who is not so sure of himself.

One should not forget to watch the interviewer. The debate goes on between you and him, and this is the way that viewers perceive the discussion. If you listen very carefully, talk with security, and look into the eyes of your interlocutor, you will then demonstrate your interest in the debate. Looking up at the ceiling or doing anything else of the kind, is a very significant signal of unease and guilt.

In the USA, you always call the journalist by his or her first name. The American idea is that the viewers there always call one another by their first names. If you do the same on a stage in France, you could bring them closer.

Do not dress so overly strict but adopt a conservative style. Feel at ease in your clothes. No black (your head might then seem to be atop a black mass), not too much white (which lightens your face). Avoid small prints which reflect on the screen.

Women must choose a style and color that flatter her and they should be careful of not wearing skirts that are too short and avoid a run in their stockings. It is advisable for them to bring an extra pair of stockings.

For men, it is advisable to wear a dark gray or blue costume. Jackets alone are banned. Shirts should be either light blue or another pastel, but one color only. With technologies, it is possible to wear white shirts. A red tie generally looks quite good on television. Socks will go up to the knees. Do not forget to unbutton your jacket when you sit down.

You should know that glasses make the light reverberate, and you should remove all shiny and heavy objects from your pockets. Especially do not wear any luxurious and shiny jewelry.

Make-up is indispensable and it should mandatory be performed by a professional makeup artist. A little powder on a face will help reduce it from shining. For men, this powder will help hide tiredness at the end of the day.

During the interview, make yourself comfortable, lean slightly forward (avoid slumping in a chair but do not sit straight up artificially), this posture will always enable you to take advantage of your gestures when you want to emphasize a certain point in your speech, or give better notice to your reactions. Stay seated once the interview is complete; it is important to avoid getting up as this will show a different image of yourself to viewers. You indeed never know if the studio cameras are still working or not.

Behave yourself in a natural way by using, for example, your hands to support what you are saying, without any apparent nervousness or agitation because the cameras shall film and amplify your gestures. Do not tighten your hands too much, nor cross your legs too frequently, in other words do nothing to attract attention besides the message you want to give.

Remember that there is a multitude of ways to send messages without even saying a word. Take advice from collaborators or specialized agencies.

Prepare your messages well so as to always have something interesting and useful to say. Remember that the "hums" and "ers" that we sometimes use during conversations adapt poorly on a television stage. Replace those words with breaks: this will give you time to think and formulate your message. Speak clearly and distinctly, use the varied tones of your voice so as to leave an impression of a determined and convincing person.

### ***c - The radio***

With the radio, the words you plan to use are fundamental. You will create the imaginary of those who are listening to you. You will need to create visual images in a verbal way, and the tone of your voice will help you make the assumption that the listener may have of you. Be clear in your presentation. Your breaks should never exceed more than three seconds.

### ***d - The written press***

All the indications which have already been mentioned also apply to the written press. You are going to make a certain impression on the reporter who is liable to judge your behavior. Do not forget to check all the objects which are visible to the eye of a journalist if the interview takes place in your office. He could, for example, ask you questions about your family photo, the decoration or diplomas which are hanging on your wall, and mention it in his article to create a more lively atmosphere.

Often journalists ask whether it is possible to record the interview. In cases of crisis and to prevent journalists from misconstruing your words, it may be worthwhile to record the same interview yourself. Moreover, in the context of a television interview (and this is especially true for American television), it may be desirable to have one of your television crews to record it as well as the entire scene. Never forget that the interview does not stop when the tape is over. A journalist can very well mention remarks that you may make while you believe that the interview has already come to an end. Be careful about this.

## **5 - DIFFERENT TYPES OF INTERVIEWS**

### ***a - Information research***

Before writing an article, journalists generally carry out information research to become familiar with the subject that will be discussed. This work is an opportunity for the lobbyist who may at this moment refine the journalist's research in rendering the sense of the message he needs to give. Make sure, however, that the information you give is perfectly correct. The journalist will not fail to check what you are saying. If the given information happens to be modified, please contact the journalist to inform him of these changes. This is a good way to attract the confidence of your interlocutor.

### ***b - The interview by telephone***

Journalists may, to save time, call you. This is a very difficult interview exercise because there is no personal relationship with the journalist. If the journalist calls you by surprise, do not answer immediately if you are not ready to answer to the questions. Ask the journalist to call you back, or tell them that you are going to do it yourself, with the excuse that you are very busy with an important matter and that it is impossible for you to free yourself at this time. Get information about the journalist who has just called you (his reputation in relation to your problem, and his level) and take time to prepare the key points that you shall give the journalist during the interview.

## **6 - THE VARIOUS TYPES OF INTERVIEWERS AND QUESTIONS**

There are four main journalist personalities which the lobbyist shall frequently find in his path and with which he must learn to become familiar.

The "gunner" will assail you with all sorts of cross questions without even giving you time to answer them. This exercise is often meant to destabilize you, and transform your point of view. Stay calm and listen to the asked questions. Select one of them (if possible, the first one) which will give you the opportunity to present your key points. You will always have the leisure to answer the more negative questions which you have already heard once.

Another type of journalist shall interrupt your speech systematically. Never forget that you have rights vis-à-vis the press, so put them in practice. If you think that the journalist is interrupting you because your story interests him at the highest point you can then choose to develop your views and satisfy his curiosity, but never forget that the most important thing is the message you have to deliver.

It may happen that a journalist paraphrases what you have said. Do not let the journalist put words in your mouth. Some specific phrases must put you on your guard, like: "So what you are saying is ..." "In other words ..." "In summary ..." "It seems to me from what you are telling me that ...".

Remember to listen carefully to paraphrases, stay concentrated. Do not hesitate to paraphrase yourself what the journalist has said.

Finally, the last type of journalist, if he were a lawyer, could be a specialist in contentious cases. He will take all the negative points of your speech, and destroy your point of view gradually. Never respond negatively to these attacks. Stay natural and always be courteous and friendly.

Above all, never repeat the negative discourse of the journalist. The fact that you simply deny a point of view may make you bear the responsibility of what the journalist has said himself. The journalist will for example ask this question: "Is the enterprise you represent not really behind this traffic?" If your answer is: "I wouldn't say that the enterprise I represent is really behind this traffic case". You can then be quite sure that the title of the published article will be: "The representatives of the enterprise indicate that it is not "really behind this traffic case".

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**3rd part**

**TRAPS AND ACTION PLANS**

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## THE TRAPS TO AVOID

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### **I – IT IS EASIER TO STOP A LEGISLATIVE PROCESS THAN TO PROPOSE A NEW TEXT AFTER IT HAS BEEN VOTED**

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When you approach the Parliaments of democratic regimes in the world, a paradox comes into the picture: Parliaments are either too reactive or inactive. This was particularly the case in the USA in its war against drugs, programs for the homeless or amendments on Human Rights at the time of the Carter administration.

At the time of these legislative initiatives, the action is sustained; this is the case in France by the ruling majority and by the support of the government which through Article 49-3 of the Constitution does not hesitate to commit its responsibility in the debate. It is a well-oiled process: the legislative machine starts up.

Conversely, concerning the hundreds of proposals or bills which the public ignores, it is easier to play defence than attack. The most important laws such as the improvement of environmental conditions or government projects such as the financing of political parties, take years to emerge. Another source of "loss" of time: the election promises that those who are in power must try to keep to at least a minimum.

Such tasks require that a consensus comes into existence. Today, it is very rare not to meet any opposition from pressure groups that are opposed to the imminent legislation. You can always find a legislator to oppose a text of law which has been introduced in this way. At the Chamber of Deputies, an influential representative of the Socialist Party (up to the legislative elections in 1993), respected by his colleagues, can put pressure on the Assembly President who shall then hesitate to carry out the progress of a project. In the Senate, the elected officials can always ultimately block a law. It is therefore easier for the lobbyist to try to get rid of such obstacles, rather than setting up coalitions.

The commission sessions or Assembly debates often result from tension or unrest. The call for witnesses from various sources on these cases gives, in a limited period of time, a chance to speak. Government agencies often require such interventions (in the case of the Plan Commission); this method is in addition never a promise. Members may participate in the commissions, publicize their objections to any particular project, send signals to specific targets, and say with right that they have "acted" and "made known their point of view" on the subject.

Legislators will always try to avoid having to choose between competing interests. Political problems bring additional pressure to the handled cases. And let us not forget that these interests are also voted for. One could consider the option of bringing these people together in order to seek a common position and to "work out" their differences. Nevertheless, interest groups today are becoming increasingly sophisticated and can seize up this process. They will act in this way if they deem the proposals unacceptable, and they will not hesitate to address the Assembly Presidents and / or the government leader in place to defy them directly. But the calculations are very risky. The determined opposition of a recognized pressure group can paralyze or limit the desire of lawmakers to move forward.

Lobbyists must be able to avoid these pitfalls and to understand the dynamics of compromise very well. The first objective is to merge with success in the legislative process before the legislation is implemented.

## **2 – IT IS A CUSTOM TO CONTROL THE DECISION-MAKING PROCESS**

The former professionals have established our current legislative process. The procedure rules in the Consultative Assembly and Senate come from various French Constitutions and political idea developments over time. In the USA, you find the origin of these rules in the practices of past centuries and in Jefferson's writings. In democratic regimes, minorities can express themselves through lobbyists. The way laws are passed to parliaments provides a great legitimacy to the contemporary legislative maneuvers. As such, countries which are governed by Common Law rather than by the Roman laws are more flexible. This explains that the institution and integration of the lobbyist trade is rising faster in these countries.

For a lobbyist, the fact of ignoring the power of the law can cost him a very high price. If a lobbyist were to propose an amendment or replace law texts, he must know that their acceptance is also based on how the media may see these proposals. It remains clear that such considerations illustrate the importance of rules as they have been established by case law. This is here a problem of accountability and justification that cannot be avoided. Each behavior of the Assembly members must be carefully studied in order to highlight the opportunity tactics and openings which will affirm the existence of traditions or case law, or create new ones.

## **3 - KNOW HOW TO MAKE ROOM FOR THE HIGHER HIERARCHY**

The lobbyist must ultimately trust and make room for the judgement and ability of lawmakers who shall represent his interests, whether this takes place in an internal meeting, in a committee or during a debate at a meeting. At the time of the decision, the choice belongs to him alone.

A good lobbyist will spend hours studying how to develop a proposal, conduct legal research, define and write the arguments and draft all the necessary documents – in short, how to prepare for battle. The major tactical decision is deciding who will be the best leader representing the lobbyist and his client's interests, and convincing him to be the leader.

Several cross-checks will help decision-making. Each problem (national or international, even esoteric) is always under the "jurisdiction" of one or more committees. These committees will help give a first glimpse to the first legislators who will vote on these issues. You should therefore start looking for the leader within these commissions with two critical angles: the number of votes he is liable to represent, and his interest in the problem. A Member who represents a department, in which the client enterprise of the lobbyist develops, will become a prime target.

The lobbyist must of course understand the political affiliation of the future leader. If the lobbyist's objective is to put pressure on a State administration, and if the minority party in the Consultative Assembly "controls" the presidency, the Members of the opposition parties shall have to send their letters in this administration.

The lobbyist must also take into account the different styles of legislators. Some are used to always taking the floor and proposing laws and amendments which are very often in favor of their political priorities. Others prefer to keep their political ammunition in reserve to appear at a decisive moment when decision-making is in its final phase. An emergency may often bring a lawmaker to engage in an action.

When a lobbyist approaches a future leader who represents his interest, he must know his strengths and weaknesses. The legislator's temperament and emotions are fundamental points. Only by being familiar with meeting practices can the lobbyist fully understand the personal and political relations that exist between the members of these assemblies.

Sometimes, the lobbyist will be stuck. Either the leader is new and virtually unknown, or the legislator who represents the lobbyist's client is an MP with no real solid basis. The lobbyist



shall then have to show patience and hope to be heard by the best-known legislators who will listen all the more easily if the represented clients are important.

The lobbyist will also spend hours imagining how events are going to evolve. Entire scripts can be developed. It sometimes happens, especially in the USA, that symposiums are prepared and "sold" to different staffs and administrators. Staffs usually appreciate well structured action plans.

After all these preconditions, the leader will intervene to define his own strategy and his final decision which belongs to him. All shall have to adapt to this decision.

#### **4 - DO NOT REJECT PEOPLE, THESE ARE VOTES YOU MIGHT NEED LATER:**

Political relations never disappear. One day they surge back up for the better or worse, because cases are never completely closed. Public policies are often discussed in terms of cyclical theories. Problems such as social security deficit are always part of our actuality. These cases are followed up even if majorities come to change, and even if some people have meanwhile retired. A battle is never finished, never lost, no problem is solved once and for all. If the lobbyist wins his case, he shall have to defend what he has gained against those who have lost; conversely, if he lost his case, he must do everything so that his issue comes back to be discussed.

Patience and endurance are the lobbyist's credo. You can add diplomacy and the horror of lies that might "run down his author". Any difference should be felt on a professional and not personal level. If a legislator is vehemently opposed to a lobbyist, he should refrain from any contact: no mail, telephone, etc. By cons, monitoring policy (which is part of the technological watch or of the active monitoring) must continuously be maintained. The lobbyist must absolutely take advantage of his allies to isolate and undermine his opposition.

One should not expect that a personal antipathy towards a legislator shall be shared by the chosen leader. There never is any true secrecy in the Assembly and, in the end, everyone knows one another's opinions. Quick words may one day come back to haunt the lobbyist; this is also true of handled cases, legislators and votes.

#### **5 - THE BEST IDEAS ARE WORTH NOTHING IF NO VOTE SUPPORTS THEM**

Any project or proposal is voted before it really becomes a law. The constitutionality of the text is checked. It does not matter much whether the lobbyist proposes ways to solve the energy crisis, the State budget deficit or the Third World debt. These ideas shall have strength in the Assemblies of democratic countries only if they can attract votes. Every day, politicians, scientists, academicians, interest groups, enterprises inject innovative ideas into the new day debate and provoke new analyses.

Very often legislators who have read the newspapers come to the parliamentary debates with new ideas for new amendments. But it only remains a (more or less) good idea and not a law until other voices support these ideas and until the majority of the Assembly vote for this proposal. When in face of an administration or determined pressure groups, there must at least be a law which has been ratified by the majority so as to calm any excessive zeal going against the interests of the lobbyist's client.

It is often preferable to seek the support of the parliamentary majority, the seniors who have experience vis-à-vis their colleagues. The parliament minority will play a role in obtaining the MPs consent of the opposition, which will prevent the lobbyist from ending up stuck in a stricto sensu political quarrel. One must keep in mind the general political aspect that surrounds votes; Members know this well and some texts may bring the government to engage its

responsibility through the application of Article 49-3 of the Constitution as it has widely been done in France in recent years.

The lobbyist can get the majority by creating coalitions or multi-party agreements. It is always possible to reach an agreement on a particular topic. This technique can be used to make things tedious for an intransigent group or commission chairman who will then have to face the difficult choice of joining a new coalition or negotiate for better agreements.

The hunt for votes is never won, and when the text is obtained, one must remember that the opposition will do everything to return to the acquired texts.

## **6 - IF YOU DO NOT ASK FOR ANYTHING, YOU WILL GET NOTHING**

Politicians love to be asked questions because their job is to meet requests. Legislators will therefore act to fulfil their mandate, but also to find opportunism and make the headlines. They came to power with an ideology, views on the world, personal and professional desires, with the intention of doing good for their fellow citizens and their country – and especially with great ambition.

The lobbyist can never know what he can get before asking questions to the legislator. And one should not expect the legislator to take action before the lobbyist has presented his arguments and questions.

Whatever may be the nature of relations with the legislator, the dynamic remains the same: the lobbyist will approach him because he needs him, the latter knows this, and he also knows that he may very well need the lobbyist in the future when there is a difficult bill to pass or when he needs his help during election campaigns.

The lobbyist must determine his requests so as to eliminate any doubts about either himself or his intentions. It is better not to have any interventions on legal measures which depend on the civil or criminal courts.

The staffs shall never refuse to meet a lobbyist who is working on the same case as they are. The legislature agenda will be more difficult to force. If the lobbyist cannot get any answer from the staff, he shall have to meet the legislator without ever forgetting to inform the staff. The necessary basic procedures shall have been covered.

Politics is based on trust relations, personal relationships between individuals, on the exchange veracity and credibility between them. These elements are built over time. As they are the fruit of experience, they can neither be accelerated nor rushed.

## **7 - LOBBYING AND CRISIS MANAGEMENT**

The lobbyist is in essence the crisis manager. In the best of cases, he will intervene in the framework of predetermined action plans. Unfortunately, enterprises often realize too late that such a man should already have been integrated in the organisational structure of the company. Therefore, especially in the case of French enterprises, the lobbyist is called for help while a crisis is already well underway. The lobbyist will then have to become a sort of "firefighter" before they are able to restore the image of the enterprise or its products.

The rules that govern the management of crises are not only applicable to lobbyist. But, by his different areas of intervention, the lobbyist must master all these data.

So if the lobbyist does not have professional surveillance methods, what is liable to threaten him is to have to apprehend a crisis management. In such a case, there is not a lack of solutions but these require a great jurisdiction competence and a thorough knowledge of the enterprise and its environment.

The problems associated with crisis today make up an important area of communication, and are taken very seriously by most large enterprises. The lobbyist must manage this state of

affairs. As this topic is not reserved to a lobbyist only even if he has become a key figure, he must confront this phenomenon in its entirety.

The Tylenol case revealed to the USA the fundamental role of lobbying in the context of crisis communication. At the time, an enterprise, Johnson & Johnson, withdrew its product from the market and explained this withdrawal as a proof of its responsibility vis-à-vis the consumer, while it was only an external contamination. This produced a study case in terms of knowing how to handle an extremely serious crisis situation; a few weeks later, Johnson & Johnson launched Tylenol still in the form of pills but with a modified packaging. The product quickly regained its former market share.

Enterprises are every day faced with crises of various backgrounds. Some serious events do not always trigger a serious crisis, but it happens that a trivial fact may in itself constitute an element liable to trigger a serious crisis.

### **a - The definitions of the crisis**

A crisis originates from a fact that may have an impact in a certain context; it can be defined as a break with the usual pattern of the organisation in its way of operating. Its effect is to plunge the enterprise sharply into the unknown, which then leads to a direct factor of destabilization.

According to Patrick Lagadec<sup>53</sup>, the crisis adds a degree of seriousness to any simple emergency, and thus becomes an emergency case to which you can add the destabilization of the enterprise leaders and the disruption of their normal framework. Otto Lerbinger of the University of Boston defines the crisis as "an unexpected event that endangers the reputation and stability of the enterprise".

In a nutshell, the crisis is characterized by the dramatic combination of three phenomena:

- Disruption of the modus operandi; the devices become ineffective, outdated and even counter-productive,
- Immediate saturation of communication skills because of the influx of requests for information from outside and inside the organisation,
- The continual questioning of its products, its services, its staff, its reputation and even its existence.

The crisis situation forces one to fight simultaneously on several fronts and to take critical decisions (the word "crisis" comes from the Greek "krisis" which means decision).

The importance of the issues, the uncertainties about the situation, the threats to the organisation, the sudden multiplication of the actors who are concerned by the situation, the pressure of time, the source of stress and perverse effects in making decisions as well as the external pressure, especially that of the media, are many simultaneous challenges that the enterprise officials have to face. "Everything becomes hectic, biased, goes against everything else, gets tangled up" to quote Edgar Morin, who also says: "the development and the outcome of the crisis are random elements, not only because there is a disorder progression, but because all these forces, these processes, these extremely tedious phenomena, affect and destroy one another in disorder."

### **b - The various types of crises**

If all these elements constitute the key attributes of a crisis situation, there is a very great variety of crises that may affect an enterprise. Some are common to all, others are more specific to certain industries or enterprises.

In this inventory, we have considered several classifications: the first is to create categories based on the probability of occurrence, i.e. the crises resulting from natural disasters, crises linked to production, crises affecting the environment and responsibilities vis-à-vis local communities, safety and health of employees, customer relations, relations with work – crises

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<sup>53</sup> Patrick LAGADEC, Crisis Management: Thinking Tool for Decision Makers, McGraw-Hill, 1991; Learn how to Manage Crises: Vulnerable Companies, Responsible Actors, Les Editions d'Organisation, 1993.

related management, crises with financial partners, crises arising from errors committed by employees or deteriorated relation with the government.

A simpler classification is to say that there are structural crises, economic or sector crises, social crises, crises linked to rumors, accidental crises, technical crises related to a product and, finally, financial and stock market crises.

Some crises differ depending on whether their cause is linked to external or internal factors. Other types can also make up a classification of crises based on technological, organisational and human risks. In fact, all these possible classifications can be expressed through matrices which bring out different combinations. Technological, human and organisational risks can then cross with the internal and external factors of the crisis. Other matrices are possible by crossing the high or low severity of the crisis situation with the more or less high control of the enterprise over the situation; those same degrees of severity can also be crossed with the occurrence likelihood of the crisis for a determined enterprise.

The variety of crisis types seems to be infinite and the scope of the concept is immense, even if the crisis dynamics is unique; this dynamism relates to a form of destabilization which is very difficult to control, especially if organisations are neither prepared psychologically, nor do they have any real anticipation practice to face this kind of turbulence. That is why in face of such an exceptional situation, communication shall play a particular role for which very specific techniques will be used.

### **c - Crisis and communication: new dimensions for communication**

Much has been written about crises with the most remarkable descriptions such as the examples of the Bhopal disaster, the Perrier case as well as the 1986 strike or yet the SEVESO barrel accident. But in the end, even if you open a book entitled "crisis communication", you can see that nobody has ever really committed to identify the specificity of this type of communication and to wonder what the exact role of communication is in times of crisis, where it starts, where it ends and what are its real dimensions.

### **Crisis communication is the first implementation of communication techniques which help in coping with problems.**

The objectives of communication in times of crisis are as varied as the implemented strategies or tactics to reach them<sup>54</sup>. Because communication is above all a matter of perception, it is easy to imagine that the same types of crisis shall lead to quite different crisis communication treatments. These can vary to infinity.

The role of communication is to answer the legitimate need time to inform the concerned public: know about the perceptions of the different public of the enterprise to optimize and manage relationships in a better way with the media.

- *The fundamental role of education*

In crisis communication the role of research and studies has become increasingly important. Knowing the perceptions of different audiences and following the evolution of these perceptions are a prerequisite to any communication of the crisis.

During the Perrier accident when some stocks contained benzene and presumably harmful hydrocarbon, thanks to surveys performed amid Perrier consumers and at regular intervals throughout the crisis in France, Great Britain, the USA and Canada, it was possible to look at things with some distance and to assess the importance and magnitude of the problem with objectivity. So Perrier got reliable indicators on the accident perception, the credibility of the enterprise, its ability to emerge victorious from this crisis and over its future intentions to purchase the product. The questions and doubts expressed by the media - particularly abroad - had undermined the credibility of the product like that of the enterprise. But the surveys which

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<sup>54</sup> Related to this topic, refer to: Crisis communication under Maud Tixier's direction, McGraw-Hill, 1991.

brought back assurance gave that credibility back. Indeed, the public expressed both their surprise and lack of understanding but then declared themselves to be "satisfied with the responsible attitude" adopted by the enterprise and confident in the ability of Perrier to ensure that quality product to return to the market.

All the studies which have been conducted in times of crisis are key indicators for enterprise and have become the only reliable benchmarks. This research has formed the basis of valuable information to establish the information that can be given to the media, the relationship with them which constitutes, according to studies, the second key aspect of communication in times of crisis.

- *media relations: particularly difficult to manage*<sup>55</sup>

The media / enterprise relations are both complex and delicate to manage in times of crisis, first of all with respect with notably "hot" media, i.e. those capable of delivering immediate information, namely the audiovisual press. The media are the actors in contemporary crises. Everything gives them an extraordinary strength: their function, their social position, their culture, their habits, their capabilities, their place in everybody's home. By providing information, the journalist occupies a strategic position. As Joseph Scanlon pointed out, "an emergency situation is, among other things, an information crisis". The journalist is able to master emergency situations like no other speaker: what is the exceptional is the sphere of his daily work. It is in the nature of the media to be mobilized.

The television presenter, who comes every day into your home, enjoys a credibility that no other official could ever hope for. The media is also a great sounding board at a national or worldwide scale.

Communication logic faces the simplification and reduction of messages which especially the audiovisual media impose. Once the information has been given, it becomes extremely difficult to correct errors and sometimes it may even aggravate the situation.

The written press creates opposite difficulties, those of the over-information method which has the effect of maintaining the spirit of audiences at its highest level of tension, and therefore exacerbates the opposition between people, between organisations and also highlights contradictions. Moreover, the press can dump a mass of elusive and unacceptable material, and it will reopen discussions that have already led to a difficult balance. To summarize, the press often causes explosive effects: for example in the case of Seveso, the barrels have now become in many newspapers "radioactive"; still concerning the same case, the large weekly publication of shock photos had placed its article (in the release of April 21, 1983) in the middle of a scene presented by the worst images of anguish and horror (World War II, Vietnam, phosphorus bombing...).

These difficulties, which are inherent to crises on the one hand and to the need to communicate on a large scale on the other hand, must not lead communication managers to adopt a hostile attitude vis - à-vis the media.

Because of the fundamental contradiction between the interests of enterprises and those of the media, communication becomes, in a crisis, the strategic junction around which the overall crisis management will revolve.

In such a situation, the one who controls communication and access to information becomes the center of operations. In this view Joseph Scanlon also says: "Communication is so important in a crisis that information centers may just as soon become operational control centers."

Crisis, a phenomenon that cuts across the organisation, affecting all sectors, requires communication to embrace the enterprise in its entirety and to become interested in all its components, whether human, scientific, technical or commercial. The people who are responsible for an enterprise, who are in the forefront of this type of situation, have a

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<sup>55</sup> See Frank J. FARNEL, Crises and Communication in "Power Medias", October 1993.

fundamental mission in managing the crisis, i.e. to communicate. In a crisis, management and communication become confounded; the principles of communication go beyond the strict scope of communication and become related to the entire management of the enterprise.

- *Communication and crisis management: the principles which must be followed*

If there is no miracle recipe regarding a crisis, or yet any model actions which would apply to all types of crisis, it is however possible to identify some principles which are always useful to have in mind in the midst of chaos and which are just the rules of communication. These principles apply to the establishment of special structures and to the implementation of processes which differ from normal processes.

-- First rule: centralize information in terms both of emission and reception. To manage a crisis, we must establish a control center where only the designated corporate spokespersons are authorized to issue information and answer outside calls. The designation of a special crisis team is a corollary of this principle. It shall have to take decision quickly and efficiency. It only has a view of all the operational, legal, marketing, financial prospects. In the case of Tylenol, the President himself, assisted by a number of collaborators, was the center of communications and crisis management while he let his directors have the responsibility of the corporate management. Johnson & Johnson was then able to overcome this case vis-à-vis all its different publics, internal customers or financial community.

-- The second principle is to trust a priori nobody: the crisis generates rumors and viewpoints which are often truncated by personal interests or categories that could be challenged on this occasion. The assistance of outside counsel to the firm is essential because it will provide an objective view of the facts and solutions.

-- The third principle: the definition of corporate objectives. Thanks to studies, the responsible managers will be able to identify exactly what the scale of the problem is and to define a strategy with specific goals. In the case of Perrier or Tylenol, studies have proved themselves to have been essential in defining a corporate strategy.

-- At this stage, information may be issued, including to the media.

It will of course be necessary to answer the media at the earliest times, which represents only one aspect of the problem.

In his relations with the media, the spokesperson shall have to be prepared to answer three basic questions: what has happened, why, and what are you going to do?

More importantly, he must know exactly the content of his message. The spokespersons will be selected according to their legitimacy and credibility in relation to the whole discourse they shall have to hold. It is imperative to always have the same people who go and meet the media in order to avoid contradictions and to ensure discourse coherence. Finally, the number of spokespersons should be limited to usually two people.

-- It is essential not to let the media be the only source of information by failing to communicate directly with all the other corporate publics. The media are not the only crisis communication vectors. One of the most dangerous traps is to focus solely on its relations with the media while all the other audiences are equally important, whether internal bodies, unions, local authorities, national or local customers, the financial community or the corporate direct environment (residents ...). All these groups must be treated in its own right and not only through the media.

In the case of Tylenol, a great attention has been given to customers. Johnson & Johnson had developed a communication strategy specific to customers throughout the crisis. During the Bhopal disaster, the employees of Union Carbide received, everywhere in the world, reports regularly informing them on the situation and on the decisions taken by the enterprise.

- *During a crisis, communication takes exceptional dimensions and becomes the major mode of the enterprise expression.*

Our media civilization and the absolute media rule provoke an astonishing situation: crisis communication takes precedence over the crisis itself.

The end of our XX century seems to discover and to theorize crisis while it is in fact a hardly visible dialectic component which manages our activities. Today, more and more crises are listed while they never used be either the topic of a press release or the cause to have to inform any or other publics.

It is a normal and natural phenomenon that our media-society today reveals crises and gives them their entire dimension. Currently, the importance of an accident or conflict is the measure taken by the media before its actual seriousness has been measured.

Moreover, the growing maturity of the public, in addition to the increased information needs, has worked towards an even greater transparency during crises.

Crisis, which is a symptomatic phenomenon of our time and of the evolution of our societies, illustrates the inevitable media coverage of problems and the obligation to communicate with its audiences. In making its scope take planetary dimensions, by giving it a leading role, a crisis situation shows today the important challenges launched by communication ruling. More importantly, the phenomenon of crisis constitutes a decisive step in the evolution of communication, its techniques, its role within the enterprise.

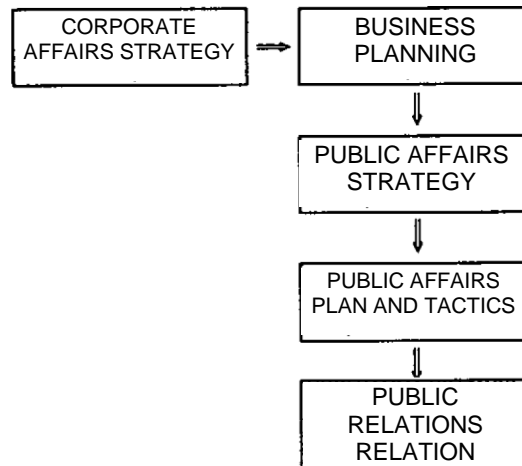
## THE IMPLEMENTATION OF ACTION PLANS

*"Plans are nothing, planning is what counts."*

**Eisenhower**

To avoid ending up in a crisis management, the lobbyist must establish, within the enterprise, a strategy of action plans that could generate clear objectives. Any lobbying action must be accompanied by a plan built in a way for it to always be "traceable" in time. One must therefore be careful of any adventurous approaches such as to account for just one simple appointment with this or that decision-maker and punctuate it with a premature cry of victory. The antithesis of an "address book" might get the lobbyist and his sponsor into the "influence peddling" which is condemned in our democratic systems. Conversely, the victory of one of these appointments will really be one if concrete results arise from this meeting between the opinion leader and the lobbyist.

The "Public Affairs" methodology can be expressed by using the following diagram<sup>56</sup>.

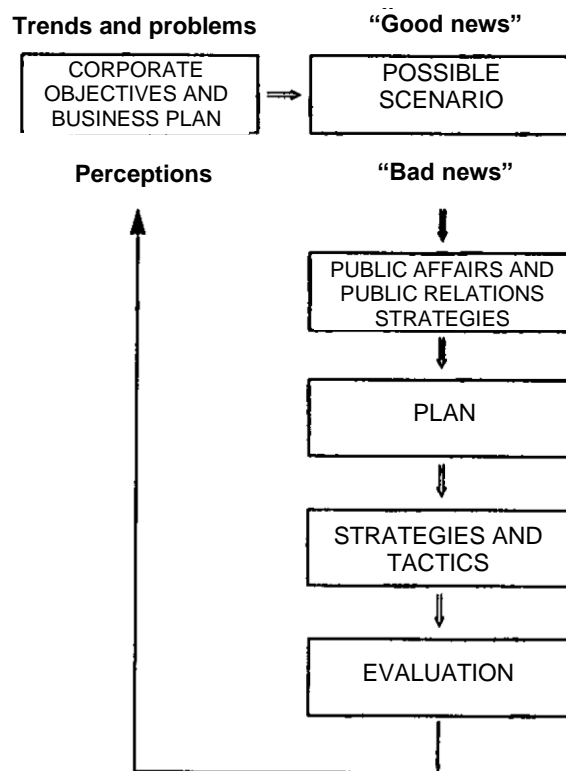


The objectives of the Corporate type lead to action plans of pure business nature in the short term. A public affairs strategy can be defined after having carefully analyzed the situation. Only afterwards can you think about setting up an action plan related to Corporate affairs including a double action plan dealing with public affairs and public and/or press relations.

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<sup>56</sup> Conference by Tim TRAVERSE-HEALY O.B.E., chairman of the Charles Baker Consulting Group. 1978.





You often see enterprises or firms known as lobbying specialist rush into programs that do not go through these analysis stages. Nine times out of ten, the non-planning and non-preparation of a well constructed and analyzed action plan cause a lack of results of the Corporate Affairs operation.

There are different ways to set up action and thus "reporting" plans. Depending on the case, it is always possible to add more analysis criteria following the problem complexity. Indeed, the establishment of an action plan, depending on what the problems are, can take very little time (10 minutes for example) but can last up to several months if necessary. Surprises should not exist in the work of a professional lobbyist: excuses such as "I didn't expect that .... you couldn't really do anything about ...." are to be banished from his language.

The method below is divided into six main sections which follow one another in a logical order:

- 1 - The analysis of the environment.
- 2 - The definition of the objectives.
- 3 - The definition of strategies.
- 4 - The details of the activities and of the action plan.
- 5 - The proposal to set up this plan.
- 6 - The result analysis of the action plan proposed in this way.

## 1 - ANALYSIS OF THE ENVIRONMENT

*"Man of the plain, why are you climbing the mountain?  
In order to have a better view of the plain ..."*

### **Chinese proverb**

Analysis is the key to the success of an objective plan: to bring together all the events and environmental elements which are related to the problem.

The structure developed in the above chart shows that at some point the Corporate and Business objectives are brought to be managed directly by the enterprise management within the planning cycle. But the objectives will be achieved if they have been analyzed in the light of political and social trends. Public opinion must also be taken into account, because only through perception can you predict the level of support and attention that an enterprise is likely to receive.

Only after this cycle will it be possible to imagine different possible scenarios.

One can legitimately ask the question why it is important to worry about perceptions, social and political trends and environmental problems.

In order to determine its corporate objective, an enterprise will need logistical support for its varied programs so as to understand its problems and plans in a better way.

Who are these people? They are called "stakeholders". They are in an enterprise the holders of its shares, its owners, its consumers, its employees. They make up a very important interest group that also includes competition, social community, the State and to a large extent the general opinion or the public.

These stakeholders make their views be known through various institutions: Parliament, political parties, ministries, unions, specialized associations and think-tanks. In order to obtain the consent of these stakeholders, it is important to understand the objectives of the enterprise.

Perception will be based on four main points: the most important thing is personal experience and that of the others. Perception is created by the comments from people (members of the public, friends, peers ...). There is, indeed, a proved relationship between familiarity and favorableness. This means that in normal conditions, the people with whom you are the most familiar know you (in general) in the most favorable way. It is therefore logical that one of the first things to do is to improve that level of knowledge, because familiarity and therefore favorableness are based on perception; and perception is what is going to create knowledge.

Group and public perception is a measurable element for analysis, and it can be monitored on a regular basis.

Perception is an element that really exists. It may be right or wrong, but, by its mere existence, it must be taken into account. If perception is correct, it must be maintained as immutable. But if the perception is false, then the task of communication is to ensure that it shall change.

Of course, many social and political problems can affect the smooth running of a business, and a lobbyist must be able to keep abreast of everything to varying degrees. But the lobbyist is directly responsible for informing the enterprise management on what can affect profits significantly in the short, medium or long term. These problems

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can be conceptual, political or social, but they must be an immediate one like a crisis. It can be a political problem, such as the nationalization risk of a French enterprise by the country's government where it is located. It may also be for commercial reasons, such as a raid on an enterprise

First step: ask yourself what the to-be-analyzed situation is in its entirety. So the problem must be defined and described before treating it.

In the case, for example, of an enterprise facing building problems, these may arise from a draft law that will affect product delivery. The lobbyist involved in the case should highlight the enterprise concerns in relation to this proposed law, as well as any of their eventual consequences (the interruption of a site, the dismissal of employees, loss of income. ..). He can also take advantage of this phase to determine the impact of this proposed law on the enterprise net results. This requires that the lobbyist should conceive these problems, not only in his point of view, but also in that of the other natural or legal persons who have an interest in the proposed text and / or the mission for which he was commissioned.

## **2 - HOW TO DEVELOP A SITUATIONAL ANALYSIS?**

In order to set up this situational analysis, several areas must be considered:

- a - The reference frame.
- b - The state of world affairs.
- c - Competition.
- d - Consumers and the targeted publics.
- e - The financial situation.
- f - The cross-functional considerations.
- g - Profit considerations.
- h - Management knowledge and expertise of staff.

### **a - The reference frame**

The question is what should be taken into account for the reference frame to fit the situation which must be dealt with. This exercise which shall determine the extent of any analysis to come is therefore very important.

Once again, there is no reference frame model. You will only have an indication of a part of everything which must be taken into account. For example, if you consider the recent GATT negotiations, the reference frame will be the impact of the GATT negotiations on the French agriculture and on the Common Agricultural Policy. Each of the reference frames will require a different type of analysis, which in turn will involve other objectives, strategies and plans.

Once the reference frame has been set, it must blend into the rest of the analysis to be dealt with. If it is not clear, it is highly probable that the entire process shall not work out properly.

The question to ask here is to know how much money has been raised by the enterprise, the amount of the previous budget allocated for the same problem, how much time you have before the law will be voted, and so on. If you can provide answers to these questions, then the parameters shall become much more realistic.

The larger the reference frame and the more limited the financial resources, the more it will be difficult to successfully analyze the situation and provide effective solutions.

### **b - The state of world affairs**

The lobbyist representing the interests of an enterprise must consider the tax implications, as well as the workforce availability and qualification of this enterprise. This analysis may include demographic changes and the different trends in the stock markets. The lobbyist should take into account any element of external influence that may present a problem.

### **c - Competition**

We must recognize the key actors that gravitate on the same segment that interests the one represented by the lobbyist, their economic weight and their power.

### **d - Consumers and the targeted publics**

Who are the consumers and targeted publics? Who uses, wants and needs the services or products that are offered? Are the consumers and targeted publics inside or outside the organisation? The more information we have, the easier it is to find a solution to the situation. A policy change or the launching of a new product are only effective if they correspond to the wishes of the targeted audiences and consumers.

#### **e - The financial situation**

What are the financial and budgetary realities to be considered in connection with the case? When you want to develop a new product, you must ask yourself the following questions: What is the product cost? What would happen if, during the manufacturing process, the price of the raw materials will increase? What is the cost of labor? Do you have to expect any extraordinary costs? In how much time will the investment be amortized? What would happen if the production increases?

#### **f - The cross-functional considerations**

The questions to ask yourself become: What other operation areas must be considered? Research and Development? Sales? What are the existing relationship? The cost? The staff?

#### **g – Profit considerations**

The question of profit comes back systematically in every key area. This is no coincidence since the fact of setting up an action plan suffers from a quantification problem for it to be validated. The issues of cost and profitability are important considerations, even if they are indirect. Reference frame: The State of World Affairs, competition, consumers, financial situation and cross-functional considerations. In other words, the question is as follows: Will the product cost less to produce than what it is going to save or earn as profit?

#### **h - Management knowledge and expertise of staff.**

This issue asks whether the necessary people are indeed present in the process to consider. If the problem, decision or solution, is cross-functional, will the other departments have the necessary staffing? How will the problem or situation have an impact on the people who are involved? Will you have to develop a training program? Who will do it?

After all the elements have been brought together and organized, it is necessary to re-organize the entire reference frame. The aim of this situational analysis is to define the problem as clearly as possible and to identify the key elements that lead to this pre-designated specific objective. Getting information and organizing is not enough. A real situational analysis must go further and be very thorough in order to transform data into information.

### **3 – CROSS-ANALYSIS**

Whether the problem to be deal with is of the macro or micro-political dimension, there is a fundamental point of analysis: cross-analysis, which will enable to write down the strengths, weaknesses, opportunities and threats which concern the problem to be analyzed.

Every enterprise has its strengths and weaknesses. The opportunities are external circumstances, events or situations that give it a chance to achieve or to exceed its objectives. The threats, the opposite of opportunities, are external forces, factors or situations that can potentially create problems, damage the client enterprise and / or limit its ability to achieve its objectives.

Thus, a good cross-analysis can give analysts and policy makers a series of well-organized information that will assist them in their decisions. If they are implemented correctly, these decisions will enable a lobbyist's client to exploit future opportunities while, at the same time, he will be fighting threats and problems, and working with strategies established on the basis of various skills and strengths that have been identified previously.

The cross-analysis phase is in no way a second step of a data list, but a method that will organize, summarize and analyze the listed data.

This tool can be useful when it is necessary to study competition. If competition is well defined, we can embark on a cross-analysis and then compare it with the one performed for the specific problem to solve.

After this step, it is good to ask yourself once again about the key issues until all the data have been included. We still need to check if the logic is consistent and clear. If this is not the case, it would generally mean that all the data have not been met, or that there has not been enough quantification.

#### **4 - SUMMARY**

This summary can be divided into three large categories: (1) the implications for business; (2) the key points; (3) some competitive advantages.

(1) The implications for business generally come from the threats and weaknesses. These are such important combination factors that they must be integrated into development strategies or plans. Business implications are also going to have a certain impact on the objective(s). For example, if a market is highly fragmented and highly competitive, the objective of obtaining a more important market share could take longer. So business implications are limitations that must be taken into account if one wishes to achieve the objective.

(2) Key points come from the strengths and opportunities. These are factors with which it is possible to construct, develop or expand and which will take advantage of the different opportunities to set up a business.

If you are aware of these key points, you will be able to establish some milestones in order to determine the strategy you want to adopt. The strategies will benefit of these forces in their determinations.

(3) It is not obvious to determine the competitive advantages, because you have to look at the whole situational analysis and find these points which will provide the customer with a real significant advantage: one that can neither easily nor quickly be duplicated. This element usually provides the enterprises with the beneficiary share of their profits. If within the analysis you cannot find this type of advantage, you must ask yourself the question: "Why is this enterprise playing the game?".

#### **5 - DEFINITION OF THE OBJECTIVES**

Once the situational analysis has been completed, the objective must be clear. Otherwise, we must go back and take more time for the situational analysis, especially in the phase where the key points are quantified to have access to the objectives.

The latter can also be seen as a bridge that connects the situation analysis to the strategy.

A complete objective shall have to be: (1) specific (2) comprehensive; (3) measurable (4) feasible; (5) limited in time and, (6) answer questions of profitability and / or results. It will (7) be linked to the analysis of the situation.

#### **6 - DETERMINING STRATEGIES**

What is strategy? According to Le Littré, it is "the art of preparing a planned road map to lead an army to some decisive or strategic points, and to recognize the points on which you must, in the battles, lead the larger masses of troops in order to ensure its success. Strategy is opposed to tactics, which are the operations that the enemy armies performs at the sight of one another."

In the closed world of business, strategy can be defined as an approach set up to solve problems, all the while using the most creative means possible.

A strategy involves several specific theorems:

##### **a) The so-called l a r g e approach**

This consists in performing a global approach without going into details, which would be another strategy.

## **6) Innovative Approaches**

You have to find a way to respond to situations with an original approach in order to “wander off the beaten track”. Fighting against routine can provide an undeniable additional element provided you remain within the set objectives. The Brainstorming method is very useful in these cases because the strategy that will prevail shall be the best for the situation which must be managed, while a strong force of creativity has been demonstrated.

### **b) The alternatives**

It is important to always keep the strategies that at first seem not be appropriate because situation changes are frequent. You must also understand why they have not been matched with a certain situation.

## **7 – DEVELOPMENT OF THE ACTION PLANS**

Once you have the strategy and identified objectives, you come to the phase where you must define the action plans. These include four basic points:

### **a - Functional and cross-functional considerations**

Which groups must you involve to make the most cost-effective strategy? Are the responsibilities clearly defined?

### **b - Who, what, how and how much?**

Appoint those who are responsible. Make sure the costs are clear at the level of both the budget and the necessary resources. Assess the time.

### **c - Positive points, negative points and contingency plans**

What are the best dates and events to check if everything is working normally. Otherwise look for fallback plans and estimate them.

### **d - Budgets and costs**

You should know that if budgets do not represent plans, they are the result of these plans. Targeted budgets can help to link up the plans to the rest of the set up strategy.

## **8 - EXECUTION**

*"Who looks at the wind does not plant any seed;  
Who watches the clouds does not do the harvesting."*

**Old Testament**

Execution is the phase where the plans are put into action all the while following the strategy to the letter. It can be used to test new products, establish a marketing strategy and create new coalitions. The execution phase represents a key step since it determines the adjustment of the plans to external changes.

## **9 - SURVEILLANCE**

Surveillance is the last step that can be set up only after the plans have been implemented, which is true for any strategy. These plans should in many cases contain in themselves some elements of surveillance (key dates, costs and budgets, responsibilities).

Once surveillance has been implemented, you must decide on the sources that will provide the necessary evidence, find the appropriate indicators and the people who monitor

surveillance and, finally determine whether a source is reliable or no (market share, media, statistics, surveys etc.).

Surveillance is therefore important because it clearly indicates if the execution is being well targeted.

The entire studied process should not be regarded as a miracle cure. It only makes sense if it is treated in its entirety by the lobbyist who in charge of a case. This thinking and analysis process must become a "conditioning" reflex. At stake is the credibility of the lobbyist's status and the transparency of his actions. Let us never forget that lobbying is the barometer of democracy.

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**Part 4**

**CONCRETE CASES, LOBBY STORIES**

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## LOBBYING AND THE ENVIRONMENT

Environmental management requires government intervention. Such an act cannot be socially effective without the concerned enterprises and the state if they are not aware of their constraints and their respective objectives. The management of the environment contributes to enrich the communication function which the enterprise has taken to, and it also enhances lobbying operations.

The environment is an excellent example of how lobbying can intervene<sup>57</sup>. Take the example of air and water that never belong to individual property rights since they are collective goods. As they are regarded as free and accessible resources for all of us, these two elements, which are essential for our existence, tend to be used without discernment and to be wasted, while their very existence is now called into question. So it is up to the State that generally guarantees common goods to proceed with the necessary arbitration to maintain the natural balance, while preserving the legitimate economic interests of the enterprise and the well-being of the community. But enterprise leaders who are directly involved in managing the natural environment have a certain responsibility because they are permanently confronted with environmental problems.

In addition, the State is omnipresent on the environmental front because the economic reality, which traditionally enables the enterprise to be operational, does not lend itself to the acceptance of ecological constraints. Economists distinguish between two types of production costs. The private costs (capital spending, labor and exploitation costs borne by the producer) and the public costs (value of the environmental degradation associated with production operations). Enterprises have no economic interest in reducing or eliminating public costs as long as they are not integrated in private costs. Competition and the "free" character of these resources encourage them, in the contrary, to transform the largest number possible of private costs into public costs. It is then up to the community either to undergo public costs which are becoming increasingly expensive, or to intervene. There are two forms of intervention:

- Impose the standards which must be respected or condemn to severe penalties;
- Impose taxes, i.e. set a more or less arbitrary price for natural resources so that the cost of their use or their degradation is reinserted in the private costs of production.

For such interventions to be fully effective for the community, they must be designed to avoid any excessive damage done to the enterprise so as not to cause, by extension, any prejudice to the whole social body. The role of the lobbyist is to establish a permanent dialogue with the government to clarify situations that are sometimes difficult to manage.

Such a procedure requires that the enterprise anticipates some questions which are likely to involve governments. This brings you to set up an environment surveillance activity which is managed by a social and political watch system comparable with a technology watch. It is then up to this watch to identify in a preventive way any ecological damage associated with its production activities, any social pressure, any government initiative which is likely to have an impact on the enterprise.

The Brittany business managers from the agro food industry who have understood that they rely upon Europe, have formed an association called "Bteiz Europe" and, in order to be updated, they hired a former official of the European Commission. So they generally know everything that is going on within the EEC that may affect them directly.

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<sup>57</sup> See Jean-Paul Maréchal, *Le prix du risque: l'économie au service de l'environnement*, Presses du CNRS, Paris, 1991.

The enterprise must also select some targets where it is appropriate to intervene. In many cases, enterprises tend to intervene too late. Communication and lobbying efforts are most likely to be effective when governments are still at an early stage of an action. An enterprise better be represented by the technical committees that are operating with the European Commission.

An early intervention has undoubtedly multiple benefits. It facilitates the work of the government. It enables you to have reliable information and knowledge of the practical reality. A lobbying strategy based on communication helps to strengthen the enterprise process credibility and to make it even more effective.

But things can sometimes turn out that direct communication is not sufficient to achieve the expected objectives. In such cases you would have to resort to indirect lobbying.

Lobbying techniques are either meant to give more weight to the positions which is advocated by the enterprise in order to win public support, or to minimize things in order to avoid any debate on the issue. Such a strategy is based on the fact that nothing can fail when you have acquired public support and vice versa. Indirect lobbying attaches prominently to the creation of ally networks, even coalitions which are favorable to the enterprise. The latter will then try to influence government decisions using the pressure of third parties whose power on the political market is sufficiently important so as to re-consider any negative decision for the enterprise.

When based on good communication, environmental lobbying can influence the political powers effectively by providing, much before these powers have settled, a duly examined position which will be difficult to maneuver in the future, or by the means of minor amendments which would not change anything in the profound nature of the lobbying plan.

## THE JEWISH AND ARABIC LOBBIES IN THE USA

The evocation of Jewish and Arabic lobbies has always had an unfounded pejorative connotation. When you talk about “lobby” in the U.S., you tend to equate the term with the Mafia. But fortunately realities are quite different.

The Jews and the Arabs have been in a conflict for over forty years, which has been punctuated by five deadly wars, whose consequences are not limited to the Middle East. Washington has become the key concern of the two lobbies which in the capital are represented by their best lobbyists who are liable to defend their cases in face of the governmental authorities. These lobbyists have become the brains because of their ability in discussing the price of weapons and oil, and in knowing the latest performance of aircraft fighter and international economic realities.

The Jewish lobby is led by the AIPACSA<sup>58</sup> one of the most powerful organisations in Washington which has had in recent years the tedious task of improving the relations between Israel and the USA. This task has turned out to be successful.

The Arabic lobby does not have the same objectives. It endeavors to establish a dialogue between the USA and the Arabic countries which are the closest to the Western countries, all the while trying to undermine the good relations between the USA and Israel. But so far, almost all their attempts have been doomed to failure.

These two forces have two privileged targets: the American policy makers and the citizens themselves.

### 1 - THE JEWISH LOBBY

The entire power of this organisation is due to the commitment of its members and their activities. Created in 1954, the AIPAC has grown steadily from 30 people with a budget of 1.3 million dollars to more than 75 people in 1985 with a budget of \$ 5.7 million generally provided by American donators. The AIPAC also has many ramifications throughout the country and an important university network.

To avoid being in an awkward position, the AIPAC made sure to keep its distance with the Jewish state all the while staying in constant contact with it. Its sole aim is to improve the image of Israel in the USA. Other Jewish organisations that are well established in the USA have each of them a seat in the AIPAC executive committee, which gives this body a greater power when a national campaign is being launched, thus exceeding the action of 50000 members.

If the AIPAC does not officially present any candidate to Congress, they know how to convey its members that they had better support the Jewish State in the form of aids to political campaigns.

That is how, during the Ford investiture, 76 senators who were enlightened by the AIPAC signed an urgency letter to support to the State of Israel in 1975. More recently, 96 senators had the sale of arms to Jordan cancelled as long as the peace process in the Middle East did not make a decisive step. Considering that the US aid to Israel was near to 3 billion dollars in 1986, you can understand better the dynamism which is employed by the Jewish organisation to achieve their targets!

Most of the Jewish organisations, members of the AIPAC, also belong to the very powerful and listened to President Conference, which was founded in 1955 just before the Suez Canal crisis, and whose headquartered are in New York. This coordination cell's role is to treat

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<sup>58</sup> American Israel Public Affairs Committee.

the often thorny problems of the Diaspora. We now know that this body was very active on the issue of the Jews in the Soviet Union.

The President Conference plays an enlightened mediating role in any disagreements that may occur between the various Jewish associations. This was noticed during the Lebanon war, during the 80s and, in particular, on the occasion of the refugee massacres at Sabra and Shatila in September 1982.

The President Conference is also an intermediary between the State of Israel and the U.S. government. In this case, most member organisations have representatives in Washington <sup>59</sup>.

The Jewish lobby is behind the creation of many PACs. In 1984, for example, 70 of the PACs distributed \$ 3.6 million to candidates who supported Israel and they often obtained success, either by having a candidate succeed, or by having a hostile and pro-Arab candidate drop out.

## **2 - THE ARABIC LOBBY**

The emergence of this lobby is related to the energy crisis and the American concern in face of the USSR influence in the Middle East. Furthermore, this lobby has relied on the charisma of several Arab leaders whose most active one was, without doubt, the Egyptian President Anwar El Sadat.

But if its presence is undeniable on the American soil, the Arabic lobby is much less structured than the Jewish one. The official intermediary organisation between the Arab countries and the USA is called the National Association of the American Arabs <sup>60</sup> and was founded in 1972.

The priorities of this organisation are of two kinds: the creation of a Palestinian State and the strengthening of economic and military ties between the Arab countries and the USA. In this aim it endeavors to convince the public opinion and American policy makers to support their claims, but without much success.

This organisation can count on nearly 13000 active members who are however not enough to make the NAAA independent; it also employs 30 people. Most of its revenue comes from advertising funds that pass via a magazine called the "Middle East Business Survey". The publicity it offers for a Websites generally costs \$ 5000 and its main customers are Arab governments, the PLO and Arab businesses on the American soil. Because of these subsidies, the NAAA is prey to criticism as this newspaper denotes a direct foreign seizure.

Another coordination problem is the lack of cohesion and understanding among key Arab governments. The Lebanon war indeed opposed the pro-Lebanese (80% of Arab-Americans) to the pro-Palestinians and pro-Syrians.

The majority of the actions launched by the NAAA ended up in failure. Its only victory was the appointment by Jesse Jackson, candidate to the Democrat candidate nomination, of James Zogby as the vice-chairman of his campaign. He was the executive director of the American-Arab committee against discrimination.

The other organisation, the Arab-American Institute, is trying to get Arab-Americans elected to key posts. Its leaders are James Zogby and George Salem who led Reagan's campaign. But here once again, in spite of the efforts of this organisation, it has often not been successful.

But you must not believe that the Arab lobby does not have any advantage. Oil represents a significant advantage since U.S. enterprises export nearly 5.6 billion dollars of goods in Saudi Arabia only, the main oil supplier to USA. Thanks to this important leverage, the lobby got quite some success. So the American Business Group of Riyadh, composed of Saudi Arabia decision makers and of U.S. enterprises, got involved in the sale of AWACS to Saudi Arabia.

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<sup>59</sup> The American Jewish Committee (AJC), the American Jewish Congress, the B'nai B'rith and the Union of the American Hebrew Congregations (Union of American Hebrew Congregations).

<sup>60</sup> NAAA: National Association of Arab Americans.

## THE CASE OF THE SANCTIONS AGAINST SOUTH AFRICA

Throughout his presidency, Ronald Reagan shall have missed the opportunities that would have helped consolidate the American power in a region of the world that was struggling with the apartheid. Only in 1984 did Reagan become aware of the importance of South Africa because of the pressure from lobbies who were calling for sanctions against the racist regime in Pretoria. This sudden interest by the U.S. President coincided with Thanksgiving when a demonstration took place in front of the South African Embassy in Washington, and to which 20 members of Congress participated.

As of 1985, the anti-apartheid groups multiplied their demonstrations, relayed by the media which gave daily news about this African country. Under such pressure, Reagan was forced to harden his position in face of South Africa. In the month of June of the same year, the House of Representatives passed a law which imposed the first sanctions and which was endorsed by the Senate in July. In September, the American President imposed even more severe sanctions.

Later, when the Pretoria regime undertook militarily acts against the guerrilla army camps in Botswana, Zambia and Zimbabwe, the U.S. House and Senate voted for even tougher sanctions banning all American enterprise to invest on the South African soil. But this only gained Reagan's firm refusal as he was supported by a large lobby that succeeded, in a first step, to cancel these sanctions. But then, despite these attempts, the U.S. White House Commission had this proposal approved of with one vote difference: a text which stated that U.S. enterprises present in the territory of South Africa, had to leave the territory six months after the adoption of that legislation. At the time, these enterprises invested nearly 2 billion dollars to which you can add 6.4 billion dollars in direct investments.

The Republicans who were opposed to such harsh sanctions decided to defer to presidential veto. On 22 July, Reagan made a speech during which he criticized with virulence the Pretoria regime, claimed a deadline for the end of the apartheid, the release of Nelson Mandela, the legalization of political movements by people of African origin. But when he had to talk about economy, the U.S. President merely recalled the economic and strategic importance of South Africa. This discourse that went against the sanctions irritated a number of Republicans, put Democrats in an outrage and embarrassed Desmond Tutu, the recent Nobel Prize winner of South African Peace.

The Committee on the Senate International Relations opted for a somewhat more flexible text that threatened Pretoria with very severe sanctions if, within a year, its government had not yet stopped its apartheid policy. In doing so, this Commission thought it could satisfy the majority of the Senate members which was the only bastion against the presidential veto.

But on July 29, President Botha refused the proposals made by the European Community that demanded him to release Mandela and to negotiate with the ANC. This refusal led to accelerating the U.S. sanctions process. The Senate did therefore not support Reagan's policy which was considered to be too fearful and voted for the proposal with 84 votes against 14.

Reagan was stuck. In order to cancel the sanctions, he had to provide the assurance that the following five points would be respected:

- release of Mandela and of all the political prisoners;
- cancellation of the state of emergency declared by Botha;
- Democratic legalization of all the political parties and participation of the people of African origin in political life;
- cancellation of the law limiting housing allocated to people of African origin;
- setting up negotiations with the leading people of African origin.

The lobbyists who had to make the senators accept the final text began a final action at the end of the summer before the October 3 deadline. They used the skills of Jesse Helms (Republican of South Carolina) and Clairborne Pell (Democrat of Rhode Island) to break the lobby resistance of African origin (Black Caucus) who were threatening to "drop everything" if the latest legislative version were not adopted. On 12 September, the text was voted by a majority (308 against 88) and sent to the White House for Reagan's signature who was in theory forced to submit to it.

But in spite of everything, the lobbies had to fight on another field, namely concerning the latest agreements on loans made by the banks to South Africa as well as the ultimate investment performed in that country. As the bill proposed by the Senate contained measures which were criticized by the House of Representatives, lobbyists worked effectively to limit the scope of these emergency measures.

On September 26 was a sudden turn of events. Reagan opposed a veto with an addendum. The President pledged to impose his own sanctions if the Senate accepted this type of veto. This uncompromising way of doing things did not please the Senate who succeeded in sending the President away with 78 votes against 21, on October 2, 1986.

The presidential lobby failed even more terribly because Reagan's positions were very different from those of public opinion. This did not prevent the President to have control over his foreign policy, but it however shows how much he depended on the aspirations and beliefs of the majority of Americans which is orchestrated by powerful lobbies.

You should, however, not minimize the actions undertaken by the lobbies that represented South Africa's interests in this sanction case. On several occasions, President Botha had warned the senators and members of the House about his willingness to counter the sanctions by a series of embargoes on U.S. products. However, Botha suggested to the same interlocutors that he could buy greater quantities of grain from U.S. farmers if the veto came to pass.

After the veto failed, the presidential lobby, through the Republican Senator Dole, said that: *"Finally, this action (Botha's lobbying) has not made much difference in the final decision, [...] and it's not a big problem."*

## **THE EUROPEAN APPLICATION OF AN AMERICAN METHOD: THE LOBBYING OF THE EUROPEAN CORN PRODUCERS CONFRONTED TO THE USA**

The CPEM is an association which, based in France, unites the representatives of the European corn producers and represents 95% of the total European production. This association filed an anti-subsidy complaint within the GATT to the European Commission against the USA because it exported a heavily subsidized byproduct, the Corn Gluten Feed, without paying any customs duties to Europe. Used to feed animals, this byproduct which is processed from corn into either starch or ethanol was competing disloyally with the corn in Europe. So the U.S. government decided in 1990 to double its ethanol program, which represented a renewed injury to American farmers.

This dispute was not new, since the problems of trade relations between the USA and Europe had already existed since 1980.

### ■ *Why resort to lobbying?*

The complaint was blocked for political reasons by the administrative procedures of the European Commission. The CPEM then decided to use the skills of an American bicultural lobbyist, Mrs. Judith Symonds, in connection with the activities of the Ruder Finn firm in order to have the case move forward.

A communications program was established in 1989 in the twelve member states of the European Community. The immediate objective was to have the Commission open an investigation concerning this complaint, all the while ensuring that the matter be tried with fairness within the framework of the Uruguay Round negotiations.

### ■ *The various phases of the campaign*

A strategy was set up to defend this case - a strategy which, like any lobbying operation, was sufficiently flexible to endure, during the campaign, the many changes due to the American and European reactions.

Council was then given to the CPEM to broaden the debate concerning the issue at a European level and not confine this problem to France in the overall context of the USA / Europe trade relations. The first step of this campaign was to create a weight argument and to give it a European dimension. "Fairness in trade in cereals" was chosen as the central theme of this campaign, and arguments were prepared in five European languages.

These documents were used as a basis for a "tour of capitals" to the countries which were the most affected by the problem. These visits included interviews with government, industry and media representatives.

In parallel, many activities were also undertaken in Europe:

- Sending of a newsletter on the campaign to all the people in Europe (public opinion, media, political ...) who were concerned by the problem.
- Monitoring of the press, of political actions within the Member States, the European Commission and the USA, and of political contacts.
- Campaign relations with the European media (briefing, press releases, interviews, press conferences), which helped generate some fifty articles in 9 countries of the European Community.
- A significant mobilization of media policies in the Community and a series of discussions in the different capitals and in Brussels.

- Organisation of a tour in eleven European capitals in less than a month for the CPEM representatives through interviews with national experts and local mobilization.

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■ ***The campaign results***

Shortly after the launch of the campaign, many results were been observed. The first step - opening an investigation - was taken into consideration by the European Commission. A unique coalition of agricultural interests in Europe was formed to support the issue of the CPEM in the GATT negotiations.

The CPEM campaign can now be regarded as a model for the application of Anglo-Saxon lobbying methods and tools in Europe, especially as this campaign has developed in an environment which was not familiar with this type of problems and which also was reluctant vis-à-vis lobbying and public activities.



## Conclusion

Must we produce a legal framework so that the lobbying profession may get organized and gain credibility?

No text serves as a jurisprudence in France on this subject while, paradoxically, there are more and more activities which everybody considers to be important and useful components in the legislative process. As the Boétie Institute <sup>61</sup> pointed out with right, there are some texts that are indirectly associated with these lobbying activities and the Penal Code also condemns certain offences, which gives a certain limit to lobbying practices:

- Offence of interference, when a public official takes and receives an interest in an enterprise for whose surveillance he is or was in charge of (Article 175);

- Article 177-1 defines passive bribery. It punishes anyone who "has requested or approved offers or promises, solicited or received donations or presents";

- Article 179, against active bribery, penalizes any person "who has used assault or threats, promises, offers, gifts or presents, or has bowed to demands related to corruption, even he did not take the initiative." This article does not intervene in private or commercial relations;

- Sections 178 and 179 of the Penal Code governing the offence of influence peddling. So any person who attempts by some means or other to obtain a favorable decision from the administration is punishable under Article 179.

The law of January 3, 1991 (relating to transparency) establishes in article 7, the offence of "favoritism": six months to 2 years of imprisonment and 5000 to 200000 F fine for any person with an elective office who has provided an unfair advantage for contracting.

French lobbyists should, as is the case in Britain, adopt the principle of self-regulation by setting themselves the principles and ethics that might govern their profession. This could bring to the creation of a business card or a license. But when you speak of a business card, you refer to an empowered professional body which, however, does not exist – or at least, not yet.

The best solution would be to have the government record lobbying activities in the form of a significant and clear bill.

The freedom to enter the profession would go along with the special obligation, for lobbyists who represent foreign interests, to register at the Ministry of Justice: but they would not be subjected to any nationality conditions.

It would nevertheless be desirable to establish a trade aptitude certificate similar to the one that governs the profession of lawyers. The reason for this is that a lobbyist de facto holds certain responsibilities in our society.

To this effect, he would have to create a charter of good conduct which defines the compliance with certain obligations and prohibitions.

This right of entry should be prohibited according to the following limits:

- Impair the credibility of the State;
- Perjury;
- Bribing or intimidation of a witness;
- Offence of interference;
- Theft, receiving stolen goods, embezzlement, extortion, fraud
- Forgeries and fraudulent use of forgeries in private writing, trade or banks;
- Issue of NSF checks, usury;
- Favoritism;
- Complicity;
- Undermine the economic interests of the country;
- Influence peddling - active or passive corruption of public officials;
- Communication of manufacturing secrets;

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<sup>61</sup> The Boétie Institute, What legal framework for the lobbying in France? 1992.

-- False signatures.

As for obligations, they could be as follows:

- Respect of the identification principle;
- Respect of the professional secrecy and the non-competition clause;
- Respect for laws and institutions.

Any lobbying declaration should be registered at the offices of both Assemblies and communicated to the minister who is responsible for Parliament relations.

With this recording, each accredited lobbyist could have free access to the Assemblies.

Any information should be published in the Official Journal.

According to the charter of professional ethics, any lobbying activity should be reported within ten days after it has been started.

The Assembly may require complete transparency (name of the lobbyist, of his client, of the enterprise, the reasons for his intervention etc.) under penalty for non-compliance with the charter of professional ethics, which may go as far as exclusion from the access lists. The Assembly may also then alert the criminal or civil courts in cases of serious breach of the rules prescribed by the charter.

A lobbyist has now become the professional of a trade which democratic countries institutions shall need if they wish to operate properly. By acting as an intermediary, he can create a climate of trust that is liable to balance private interests with public authorities. But the implications of the lobbyist's work go even further as they, in turn, affect citizens in their daily lives.

In face of the merciless competition that the European countries have now engaged in the consumer world and in order to be competitive on the international scene, France urgently needs to be equipped with this strategic and fundamental weapon: professional lobbying, so that it may have the opportunity to work in complete serenity and that others at last recognize its right to exist.

# THE EUROPEAN INSTITUTIONS

## A - THE EUROPEAN COMMISSION

It has the responsibility to initiate, conduct and protect.

-- Exclusive power of the legislative initiative at the EEC.

-- In charge of any enforceable process on behalf of the EEC just like the European Atomic Energy Commission and the European Coal and Steel Community. That is: (1) to implement all the community political decisions, (2) oversee the administrative tasks, (3) negotiate all the external agreements on behalf of the Community.

-- Power to protect the treaties signed by the Community: to ensure that all the signatories respect the rules and principles written down in the treaties. In this case, the Commission may force Member States to enforce treaties properly and it may also give fines to offending enterprises.

### **Composition of the Commission**

17 commissioners are appointed for a period of four years. The most important nations (France, Germany, Italy, Spain and Great Britain) can each of them have two members, while the seven other countries may have one only.

The commissioners are supposed to represent Europe, and not their respective governments. They should only answer to the European Parliament, which is not always the case in practice.

Each Commission is in charge of one or more business segments. Jacques Delors, President appointed in 1985, is, among other things, responsible of monetary problems, the general secretariat, legal affairs, official communication and security matters. The Englishman Leon Brittan, who was appointed in 1989, is in charge of competition policies and of financial institutions.

The Commissioners are assisted by an administration made up of General Directorates, a staff which is specialized by different sectors, and also of other independent bodies like the EURATOM agency or the European Foundation for the improvement of Living and Working Conditions. They may in addition count on four other semi-independent, newly created bodies: the European Environment Agency, the European Community Trademark Office, the European Medicines Agency, and the European Agency for Safety and Health. All these organisations employ 15 500 permanent and temporary officials, and 1 150 temporary employees.

### **Decision process**

The decisions taken by the Commission are won through a simple majority. In addition, the Commission which offices as a "collegial organ" is responsible for each of its acts.

## B - THE COUNCIL OF MINISTERS

This council is responsible for the final adoption of laws which the community must comply with. It is also in charge of coordinating the economy between the Member States and of drafting a common foreign policy.

### **The composition of the Council of Ministers**

The most important representatives are the Foreign Ministers of each Member State. But when a particular topic is being dealt with, and according to timetables and the Orders of the Day, it is not uncommon to send to Brussels the concerned ministers (Ministers of Agriculture, Commerce, Finance, Etc.).

The Council presidency rotates every six months. This rotation is performed following the alphabetical list of the Member States.

### **The decision-making procedure**

The Council can meet at the request of the President of the Council or of the Commission. Session preparation is managed by the COREPER. Every important decision of the Council may be taken only after a proposal from the Commission and consultation with Parliament. The votes of the member states are divided as follows:

FRANCE, GERMANY, ITALY,	
GREAT BRITAIN	<i>10 votes each</i>
SPAIN	<i>8 votes</i>
BELGIUM, GREECE, THE NETHERLANDS, PORTUGAL	<i>5 votes each</i>
DENMARK, IRELAND	<i>3 votes each</i>
LUXEMBOURG	<i>2 votes</i>
	<hr/>
	<i>76 votes in total</i>

In order to be adopted, a draft of the Council must obtain at least 54 votes, including at least 8 Member States.

## **C - THE EUROPEAN COURT OF JUSTICE**

It has the task of checking the various legislation and regulatory pieces of the Community. It handles any case of non-compliance with international treaties by a member state. It decides to cancel the measures taken by the Council, the Commission, or any member government which is not in accordance with the treaties. It can do so at the request of any European institution, a Member State, or a person directly concerned by any international treaty violation. It interprets the European law at the request of a national Court of Justice, which is in the interest of the community laws (preliminary ruling procedure). Finally, it interprets the EU agreements with the non-members of the EEC.

### **Composition**

The Court consists of 13 members. Twelve judges represent the twelve countries of the EEC and are appointed for a period of six years, and the thirteenth is appointed by the five largest countries for two years. This thirteenth position was created to systematically identify a majority.

This Court, which employs about 750 people, is assisted by six general lawyers. These professional jurists represent the public interest.

The Single European Act has created another Court in charge of hearing the different cases at first instance, in order to alleviate the workload of the European Court of Justice.

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The procedure

The Court is divided into six separate rooms that are responsible for initial investigations to provide a first judgement. For more important cases, the Court renders decisions in plenary session. Decisions are taken through a majority vote without opposition.

# GLOSSARY

## **Coalition Building**

The coalition-building technique is an absolutely essential weapon for the lobbyist. Enterprises or other small interest groups get together for one single business segment, and can therefore intervene effectively amid governments that are more inclined to listen to a group that represents one same economic network.

## **Corporate Affairs**

Activity which integrates both the enterprise policies of Public Affairs, communication and corporate programs.

## **Corporate Communication**

Any communication that aims the external or internal framework within which the lobbyist acts as a counsel for his firm or agency. These communications are designed to improve and protect the image of an enterprise or that of an interest group.

These communications are one of the "Corporate Affairs" activities.

## **Corporate Marketing**

Corporate marketing activities aim at defending the enterprise image, and must not be confused with the brand image. The corporate image is "all the emotional and rational representations that an individual or a group of individuals associates with an enterprise".

This definition also applies to all pressure groups. It is therefore a question of corporate marketing which consists in promoting the profile and image of the enterprise for it to appear as a social body.

## **Good Corporate Citizen**

These are campaigns that aim at improving corporate image. Their purpose is to improve the communication produced by an enterprise and also to make the work of a lobbyist easier. This should enable the enterprise to become an active citizen in the country where it has established.

## **Government Relations**

Also called "Public Affairs", this activity represents the "policy" work of a lobbyist in his "Corporate Affairs" activities.

These are all relationships established with a central authority whatsoever government, deputies, mayors, business associations, pressure groups, etc..

## **Grassroot Lobbying**

Re-located lobbying action. The issue is to make third parties be aware of the different means that can be used in direct marketing activities, which also enables the creation of coalitions or pressure groups: these are very useful tools for lobbyists who need to exert certain pressures. The used methods are vary a lot. Most often, lobbyists use the device of sending many letters: they will try to convince a section of the public to write letters to a pre-defined target (for example, a deputy, a political party, a newspaper, etc. .) to support the interests he represents.

## **Public Affairs**

This concerns the "political" activities of Corporate Affairs. Public Affairs is a program formulating policy for the public and stakeholders. The political and social developments are taken into account for the enterprise corporate activities and for establishing contacts with this enterprise opinion leaders. Public Affairs also directs all the activities related to Government

Relations, and in so doing, it intervenes in all the "business cases" that an enterprise is increasingly required to maintain and develop with all his publics.

### **Public Relations**

Public Relations <sup>62</sup> are designed to define and implement a permanent communication policy designed to enable a group to establish fair and honest relationships with the internal and external public which determine its existence and development.

Public relations should be an integrated function to the executive committee.

### **Stakeholders**

Shareholders, owners, consumers and employees of an enterprise, are regarded as its "stakeholders".

This interest group is very influential, since it also includes the control of competition, social community, the State and, to a large extent, the public.

The method which is the most used by stakeholders to make their points of view be heard, is to pass their messages through think-tanks.

### **Think-tanks**

Idea laboratories where researchers get together to discuss economic and strategic issues. The cases arising from these reflections will be sent to various key targets: politicians, government, public, press, etc..

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<sup>62</sup> Professional Public Relations Code (AFREP).

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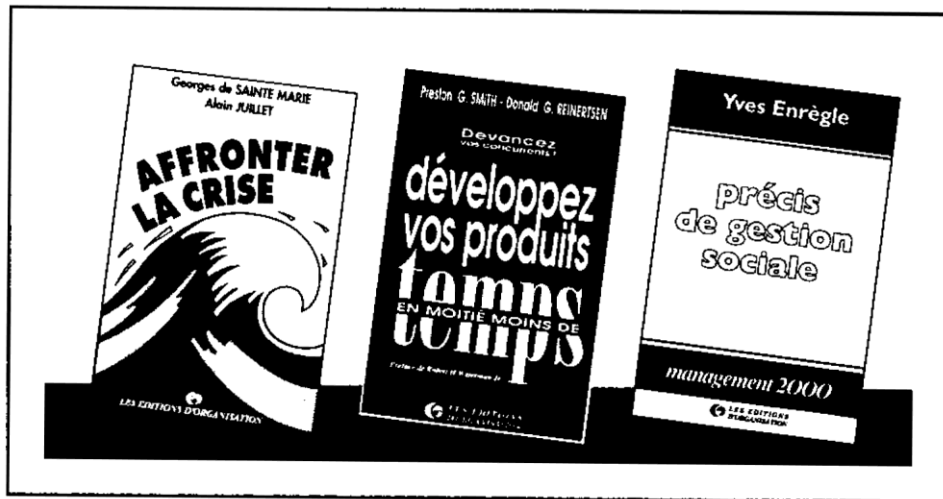
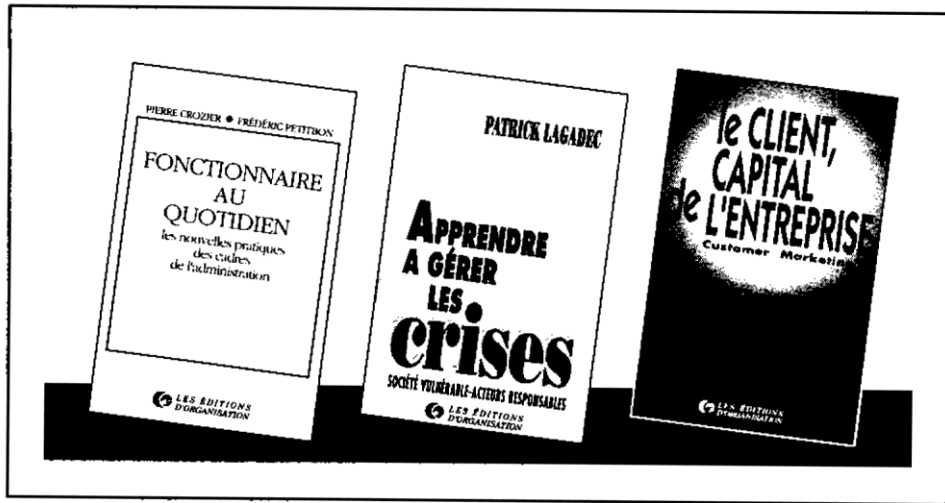
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**Composition and layout: Clic-Info - Chartres (28)**  
**Colophon: JOUVE: Paris**  
**Imprint No: 214477F**  
**Publisher No: 1446**  
**Deposit: January 1994**  
**Printed in France**

# 1st lobbying

## Intervention strategies and techniques

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Lobbying is a strategic tool that provides enterprises, on the national and international scenes, with a very strong competitive advantage, particularly important in this period as markets related to Europe's edification are being redefined.

Lobbying aims at influencing directly or indirectly any process of elaboration, application or interpretation of a legislation, standards, regulations and more generally, of any government action or decision.

After having defined the current lobbying practice in France in the European Union and the world, the author now presents a real operating guide of the lobbying methods, techniques and tools. To build a model legal file, assemble all the necessary economic information, namely know how to select one's targets, choose the appropriate time and behave as a professional in communication: these are the skills of a lobbyist.

The author also gives some advice to avoid the many traps of the profession, how to address the media effectively and build up an action plan.

This book is addressed to all lobbying partners: political scientists, men of power and administration, the elected officials and communication directors, marketing and enterprise human resources. Students will also find many elements which should help them prepare for information and communication careers.

The author

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**ISBN: 2-7081-1639-8**