Warsaw Forum of Economic Sociology vol. 14, no. 28 Autumn 2023
SGH Warsaw School of Economics; Collegium of Socio-Economics; Institute of Philosophy, Sociology and Economic Sociology

More crowd, less clout? Competitive environment and venue shopping of CEE organized interests

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Abstract

The existing research on Western Democracies, especially the European Union, concludes that the competitive environment of interest groups' operations negatively affects their chances of political clout. The Authors aim to explore if such argument is also the case in the post-communist environment, taking into account five countries of the CEE region: Czech Republic, Hungary, Poland, Slovenia and Slovakia. Therefore, they examine the relation between interest groups' competition and perceived density of interests on one hand and their access to various policy-making venues on the other. Additionally, they check whether the type of policy affects the degree of competition and access.

Keywords: interest groups, competition, rivalisation, access, Central Eastern Europe, CEE

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Introduction

The notion of competition is one of the most central categories in interest groups studies. According to population ecology in interest representation, competitive pressure affects the birth (entry) and death (exit) rates of organizations and sets the limits of the number of organizations in a given environment (Lowery & Gray, 1996). It can also affect the way and extend to which interest groups achieve their lobbying goals. The last issue is the subject of this article. While most of the literature on competition concerns the European Union, we aim to examine whether the findings of interest group researchers carried out at this level can explain competition patterns in a different institutional context of Central and Eastern Europe (CEE).

Literature review

The existing literature examines both the factors influencing the tendency of interest groups to compete with each other and the consequences of groups operating in a competitive environment.

Regarding the first issue, in this article we explore the nature of the policy as a factor influencing the existence of a competitive environment and the density of interests. Basically, the researchers argue that only a few policy issues attract stakeholders' attention. Thus, there is a correlation between the importance of a given policy and the number of actors involved (Baumgartner et al., 2009). Yet another factor is a membership, as rivalry can be understood as a lobbying strategy consisting in a decision to act by a group "alone" rather than in a wider coalition. The group then focuses on tactics related to loyalty and monopolizing a given policy area (Browne, 1990), mainly in order to survive and attract new members (Baumgartner & Leech, 1998; Lowery, 2007). Another important factor, apart from membership, is the attitude of decision-makers themselves as 'access points', potentially facilitating the achievement of lobbying goals of interest groups. Researchers argue that just as members may be a factor that actively blocks the tendency of a group to form advocacy coalitions with other groups (Beyers & de Bruycker, 2018), the expectations of decision-makers are the opposite. The image of the group as non-conflict allows it to establish stable relationships with decision-makers (Lowery & Gray, 1996). A large portion of literature argues that the patterns of competition are shaped by the model of the political

system. The pluralistic interest representation system operating in the United States is considered to be the most natural in the situation of stakeholder competition for the attention of decision-makers and members (Sorurbakhsh, 2013). In an environment where political parties strongly compete with each other, interest groups also show a greater tendency to mobilize (Crowley & Socpol, 2001). Party rivalry creates greater uncertainty in the political environment, at the same time revealing potential opportunities for new interests and threatening the interests of those groups that benefit from the status quo.

The second issue, namely the consequences of groups operating in a competitive environment, is related to that of the density of interests. In a situation of strong competition and the multitude of actors competing for resources and the attention of decision-makers, the potential chances of success for advocacy activities of interest groups decrease. This means that a large number of competing interest groups deteriorates their access to decision-makers (Baumgartner et al., 2009). The greater the competition, the more difficult it is for the groups to act and achieve their goals. This is confirmed both by studies on the European Union (Berkhout & Lowery, 2011) and the United States (Lowery & Gray, 1996). The sense of high competition in the representation of interests prompts groups to form a coalition (Hojnacki, 1997, Hoyloke, 2009; Beyers & de Bruycker, 2018)

In this article, we examine in detail two factors related to competition. One of them concerns the causal mechanism between the nature of a given policy and the existence of a situation of competition between interest groups. The second is related to the consequences of the competitive situation (population density) for the potential access of interest groups to decision-makers.

Hypotheses

The paper is built around the two main arguments. The first hypothesis explores the popular belief on causal mechanisms between the type of policy and the degree of competition. In this paper we focus on the two important policies: energy and healthcare. Both issues represent a large portion of public budgets and a long-term importance for the security and well-being of nations (Dobbins & Riedel, 2018). However, energy policy is a more regulatory one, while healthcare policy is characterized more by distributive components. Scholars highlight key differences between distributive and regulatory policies (Lowi, 1972). The latter is expected to develop a more

competitive environment, while distributive policies are expected to be the opposite. The existing scholarships argue that issue-related factors affect competition due to their nature: regarding regulatory issues, lobbies and counter-lobbies are more likely to emerge, as both sides face concentrated costs or benefits. In distributive policies, it is often easier for groups to establish coalitions, which can result in greater groups' influence over policy (Dur & De Bievre, 2007). Therefore, we hypothesize that character of a given policy determines the degree of interest groups' competition:

H1 The more regulatory policy, the higher level of competitive pressure.

Our second hypothesis relates to the consequences of perceived competition as a factor conditioning interest groups' access to policy-making processes. As mentioned, the reluctance to compete between interest groups may be determined by the expectations of decision-makers. In a study of aggregate patterns of interest groups' mobilization at the EU level, the Belgian-German-Dutch research Team found that while those issues that attract stakeholders' attention also strongly polarize their positions, EU policy-makers show a reluctance to engage in open political conflicts. For this reason, interest groups tend to avoid a strategy of open contestation and conflict (Wonka et al., 2018). In recent years, relying on the density dependence mechanism in a study of over 5000 environmental advocacy organizations operating at global level, Jan Beyers, Marce Hanegraaff and Jorik Vergauwen found that the more interest groups engage in advocacy efforts, the fewer of them have the chance to stabilize their activities over time and therefore carry out long-term lobbying (Hanegraaf, Vergauwen & Beyers, 2020). Accordingly, cooperation between groups is a well-recognized factor facilitating access to policy-making processes (Beyers & Braun 2014; Sorurbakhsh, 2016). Based on these findings, we hypothesize that high density of interests (resulting in higher competition) will negatively affect interest groups' access also in the CEE region:

H2 A large number of competing interest groups deteriorates their access to policy-making venues.

Research design and methods

Methodologically, we rely on quantitative research in a form of a survey dataset developed within the project entitled 'The <Missing Link>: Examining organized interests in post-communist policy-making' conducted in 2018-2021 in five CEE countries: Czech Republic, Hungary, Poland, Slovakia and Slovenia. The survey was conducted online on a representative sample of interest groups operating in higher education, energy and healthcare policies. We have received over 400 responses with a total response rate of 34,4%. The survey included numerous questions on membership structures, interest groups' resources, the degree of professionalization and interactions with different political venues. In this paper, we focus on energy and healthcare as the most strategic sectors. Also, we aggregate the data from those countries, treating them as a region and not differentiating between them specifically.

In this study, our dependent variable is access to various political bodies (all measured on 1-5 scale):

How difficult is it to access governing parties? (*1 – extremely difficult, 2 – difficult, 3 – sometimes possible, 4 – easy, 5 – very easy*)

How difficult is it to access opposition? (*1 – extremely difficult, 2 – difficult, 3 – sometimes possible, 4 – easy, 5 – very easy*)

How difficult is it to access regulatory authorities? (*1 – extremely difficult, 2 – difficult, 3 – sometimes possible, 4 – easy, 5 – very easy*)

How would you describe your level of participation in parliamentary hearings/parliamentary committees? (*1 – no participation, 2 – low participation, 3 – occasional participation, 4 – high participation, 5 – very high participation*)

As independent variable, we have asked organizations of perceived density of interests and experience of intensive competition:

In your opinion, is the number of interest organizations attempting to influence decision-making and legislation in your area increasing, decreasing or stable over the past 10-15 years? (*1 – strongly decreasing, 2 – decreasing, 3 – stable, 4 – increasing, 5 – strongly increasing*)

Do you experience intensive competition from organizations active in your field that represent opposing interests or values? *(1 – never, 2 – usually not, 3 – sometimes, 4 – often, 5 – always)*

All data were processed and analyzed using STATISTICA software. Most statistical tests – especially those used in complex research plans – favor variables measured on quantitative scales. For such variables can be calculated both average and many other statistics. When it comes to variables measured on a nominal scale, their values usually refer to the affiliation of the examined person (object) to a given category. The only information that can be used when measuring variables at the nominal level is the frequency of occurrence of individual categories. Descriptive statistics possible in such a case is the descriptive model (dominant), and therefore the most frequent value in the set.

Often, however, the data obtained in the study are categorical (measured on qualitative scales). As in this case we can not count on the parametric test, we use nonparametric tests that do not require our data to meet a number of assumptions (including the most important one about the quantitative measurement of the dependent variable). An example of such tests – extremely often used in social studies is the Spearman R test. Spearman's rank correlation coefficient measures statistical dependence between two variables using a monotonic function. Spearman R test assumes that the variables under consideration were measured on at least an ordinal (rank order) scale, that is, that the individual observations can be ranked into ordered series. Spearman R canbethoughtof as theregularPearsonproduct moment correlation coefficient, thatis, in terms of proportion of variability accounted for, except that Spearman R is computed from ranks.

Data analysis & results

We start our analysis with an overview of descriptive statistics. First, we check to what extent interest groups' perceived level of competition vary between the two respective politics.

Fig. 1. Perceived number of interests attempting to influence decision-making and legislation in a given policy (*1 – strongly decreasing, 2 – decreasing, 3 – stable, 4 – increasing, 5 – strongly increasing*)**. Source: Own elaboration.**

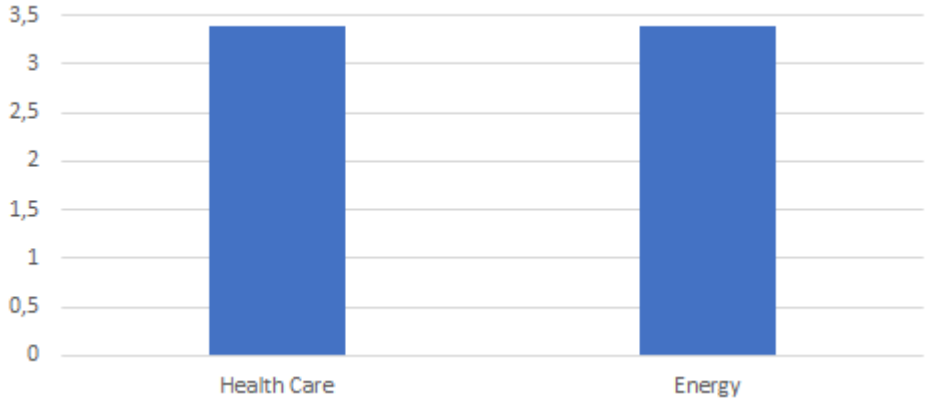
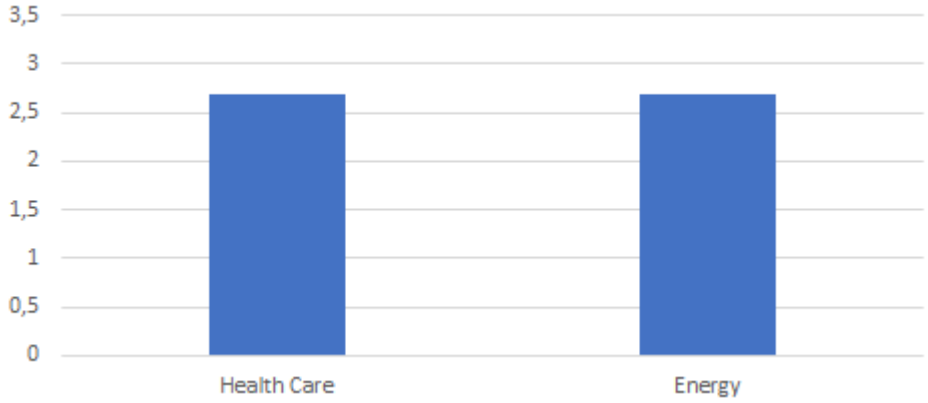


Fig. 2. Perceived intensity of competition in a given policy (*1 – strongly decreasing, 2 – decreasing, 3 – stable, 4 – increasing, 5 – strongly increasing*)**. Source: Own elaboration.**



Using descriptive statistics, we developed a picture of perceived competition among the groups in two analysed policy fields. When it comes to both analysed policies we found out that in both cases the results are almost equal. When it comes to the question about perceived number of interests attempting to influence decision-making and legislation in a given policy across the CEE region, in both policies we got an average of 3,4. When it comes to perceived intensity of competition our results show that the groups perceive it on a rather stable level with an average of 2,7. The results are against our first hypothesis (H2), when we stated that the more regulatory policy will result in a more competitive environment.

As a next step we conducted Spearman rank correlation analysis. Regarding the second hypothesis (H2) on a negative relationship between increased competition and access, we have examined correlations between competition and perceived density of interests and different political venues. As Table 1 shows, there is a correlation between the number of organisations attempting to influence decision-making and legislation and the access to the regulatory bodies. We may conclude that the more organisations attempt to influence the decision-making process, the access to regulatory bodies is getting easier.

Tab. 1. Access to the regulatory bodies. Source: Own elaboration.

Variables	Spearman's Rank-Order Correlation MD pairwise deleted Marked correlations are significant at p <,05000			
	Valid N	Spearman R	T (N-2)	p-value
Organizations attempting to influence decision-making and legislation	260	0,177	2,897	0,004
Intensive competition from organizations representing opposing interests	206	-0,032	-0,462	-0,644

In the case of governing parties, we found no correlation in any analysed case. The p-value for the three measured variables is more than 0,05, then we found no mutual dependence between competition level and growing number of advocacy organisations and measured dependent variable of access to the government.

Tab. 2. Access to governing parties. Source: Own elaboration.

Variables	Spearman's Rank-Order Correlation MD pairwise deleted Marked correlations are significant at p <,05000			
	Valid N	Spearman R	T (N-2)	p-value
Organizations attempting to influence decision-making and legislation	222	0,135	2,036	0,052
Intensive competition from organizations representing opposing interests	177	-0,047	-0,0628	-0,530

Oppositely to the governing parties, we found an association between the number of organisations attempting to influence decision-making process and legislation

and access to the opposition. Spearman rank correlation shows that the bigger number of groups is trying to influence the process, the access may get easier. With the p value of 0,009 we found our data highly significant.

Tab. 3. Access to the opposition. Source: Own elaboration.

Variables	Spearman's Rank-Order Correlation MD pairwise deleted Marked correlations are significant at p <,05000			
	Valid N	Spearman R	T (N-2)	p-value
Organizations attempting to influence decision-making and legislation	191	0,186	2,609	0,009
Intensive competition from organizations representing opposing interests	156	0,206	2,26	0,009

When we analysed access to the parliament, we found out that both measured variables are strong and significant. If the number of the groups attempting to influence decision-making and legislation is increasing, the access to the parliament is getting easier. With a strong significance p value at the level 0,000 we may conclude that parliament may be more open if the density of interests is growing. Similarly, intensive competition between groups also increases the likelihood of access to this venue.

Tab. 4. Access to the parliament. Source: Own elaboration.

Variables	Spearman's Rank-Order Correlation MD pairwise deleted Marked correlations are significant at p <,05000			
	Valid N	Spearman R	T (N-2)	p-value
Organizations attempting to influence decision-making and legislation	262	0,223	3,695	0,000
Intensive competition from organizations representing opposing interests	215	0,144	2,126	0,034

Conclusions

The aim of the article was to understand how competition of organized interests across the CEE region affects their political performance. We contribute to the existing literature by shedding new light on issues that have not been explored in existing literature on CEE. Starting from the arguments rooted in existing scholarships on Western Europe, we concluded that these findings only partially fit the case of CEE countries. First, we have checked if the type of a given policy translates into a higher level of competitive pressure. It turned out that there is no significant difference between distributive and regulatory policy in creating a more competitive environment for interest groups' operation. Both healthcare and energy groups declared that the perceived number of interests operating in their area of interests is rather stable. Similarly, they declared a congenial experience in terms of intensity of competition. The political conflict between interest groups representing opposing interests turned out to be low, similarly to the Western examples (see Carpenter et al., 2003; Wonka et al., 2018). Then we have checked for the correlation between a number of competing interests as well as perceived competition and their access to policy-making venues. In line with predictions rooted in the literature on Western groups, we found strong evidence for a negative correlation between increased competition and access, but only in relation to certain political venues. In fact, rivalisation affects access, but only to governing parties. In other cases it turned out to be a strong factor facilitating access. This was the case of the parliaments (both density of interests and intensive competition), opposition (the case of density of interests) and regulatory authorities (the case of density of interests). We seek an explanation here in the greater openness of these bodies to a variety of often competing opinions and positions, while governments value a more concerted position by organized groups that foreshadows more calm and socially grounded decision-making. We therefore may conclude that interest groups' density and competition indeed negatively affects their access to the executive bodies across CEE countries, but at the same time facilitate access to alternative political venues through interest groups may try to perform their influence. This confirms existing arguments on the different approach presented by elected and non-elected officials (see Beyers & Braun 2014).

At the same time, these findings highlight the need for further, in-depth research to better understand the mechanisms shaping interest group competition and access in the CEE context.

Disclosure statement

On behalf of all authors, the corresponding author states that there is no conflict of interest.

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Note on funding

Research project: *Jean Monnet Module 'EU: European values and ethics in politics and economy'* under grant no. 101127158 ERASMUS-JMO-2023-HEI-TCH-RSCH.

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