

# Informational Lobbying Strategy: Primary Survey Evidence

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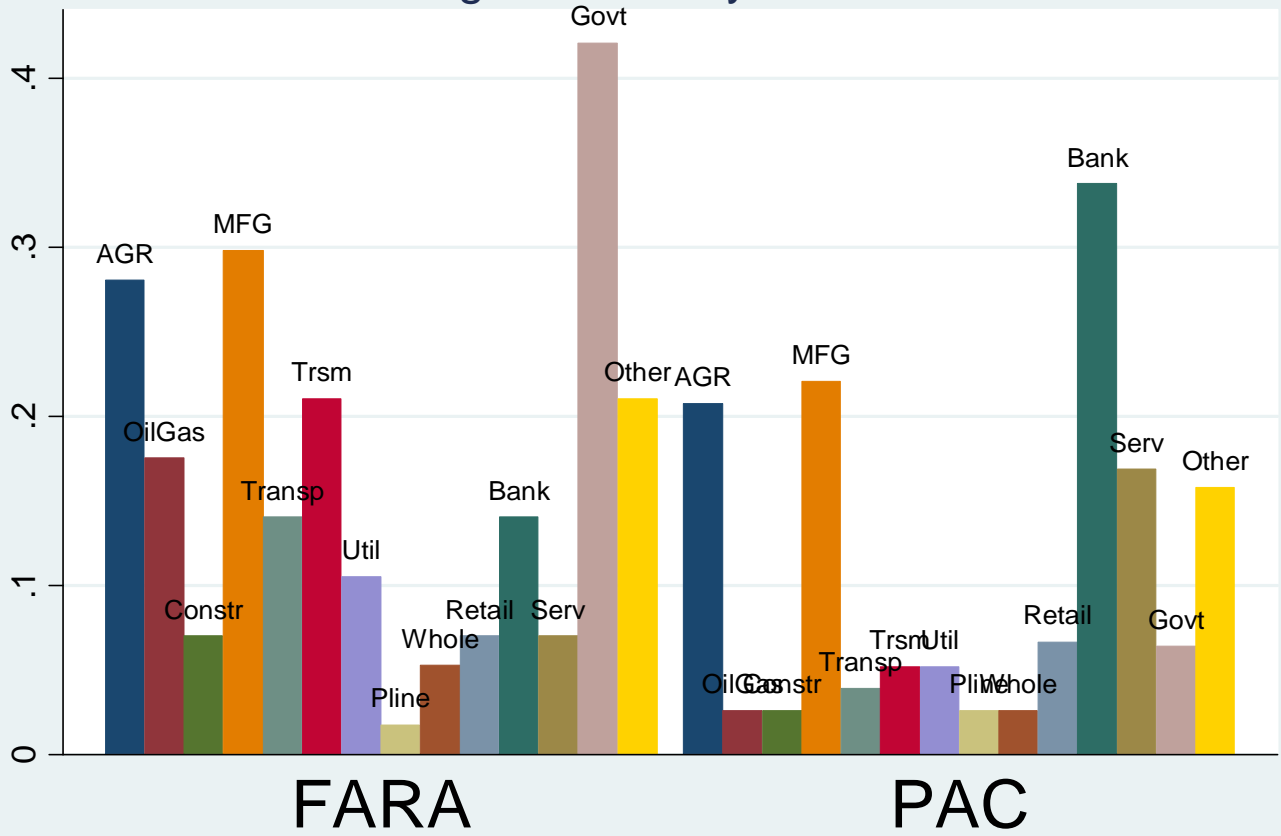
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Abstract: An emerging school of thought in political economy is that lobbying is the strategic provision of information by actors that seek to influence politicians as they make policy decisions. In this view lobbying contributions are made primarily to gain access to policymakers in order to provide them with information that benefit both, politicians as they try to get re-elected as well as lobbyists. To what extent does this picture accurately reflect lobbying activities in the US? Responses to a survey conducted by the World Bank and authored by us is the main input into analyzing this question. Included in the survey are PACs as well as US agents (primarily law firms) representing their foreign clients before US policymakers.

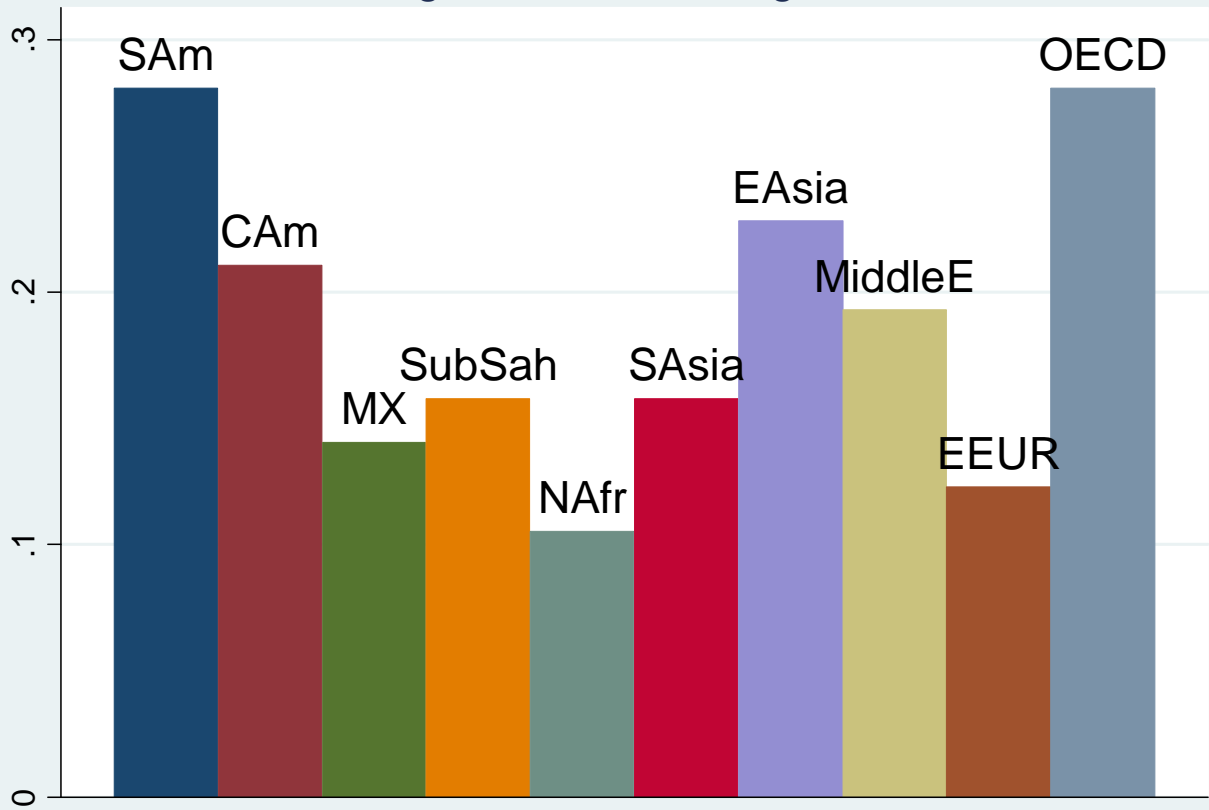
Figure 1: Lobby Sectors



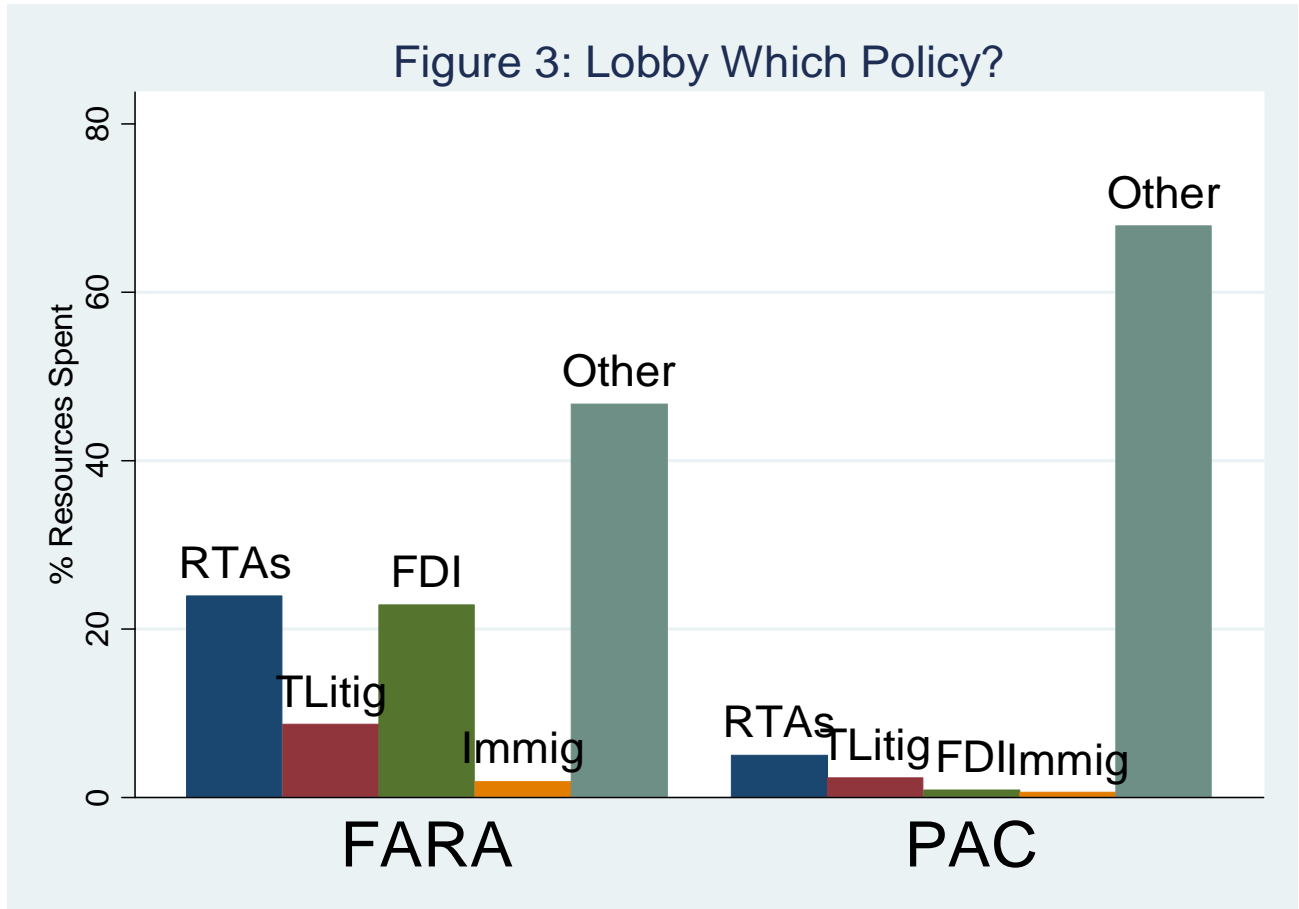
**FARA: N=57**

**PACs: N=77**

Figure 1: FARA: Regions



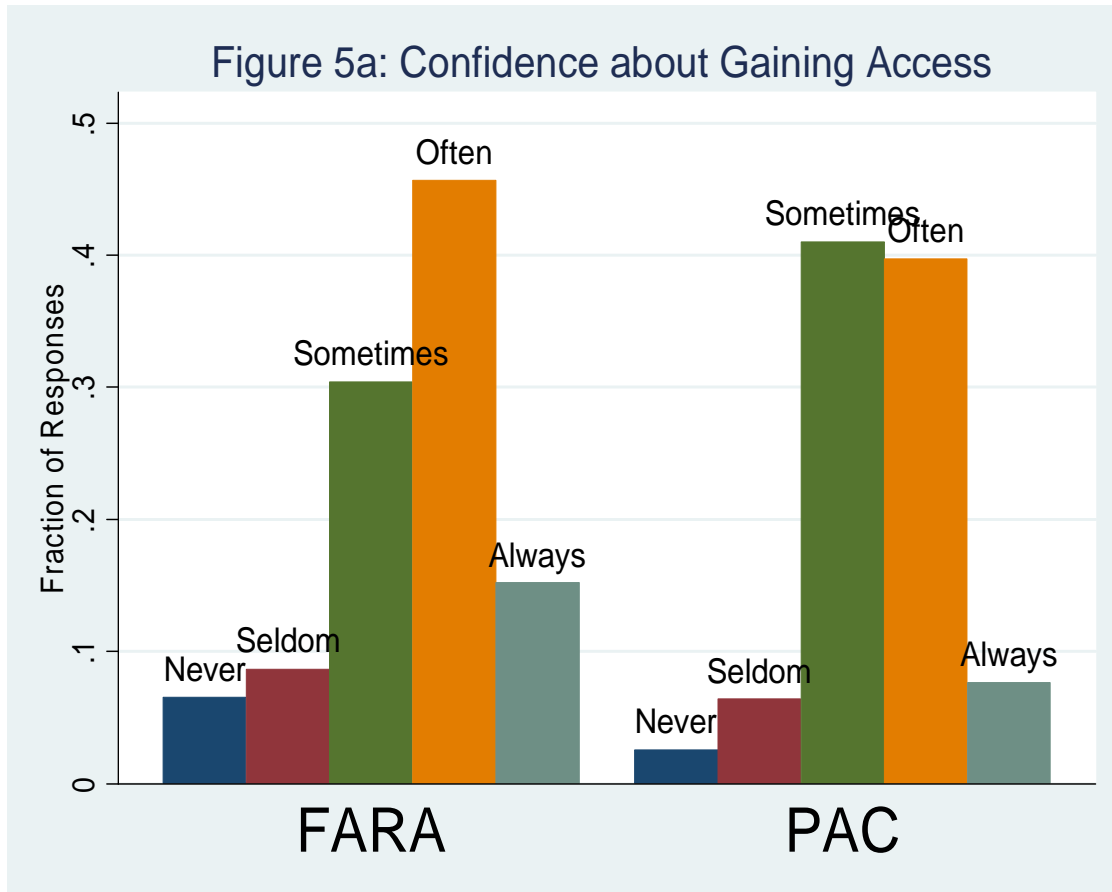
**N=57**



**FARA: N=53, PACs: N=77**

2. Consider the resources you spend (time, money) when representing your PAC. Please indicate the percentage that is approximately devoted to:

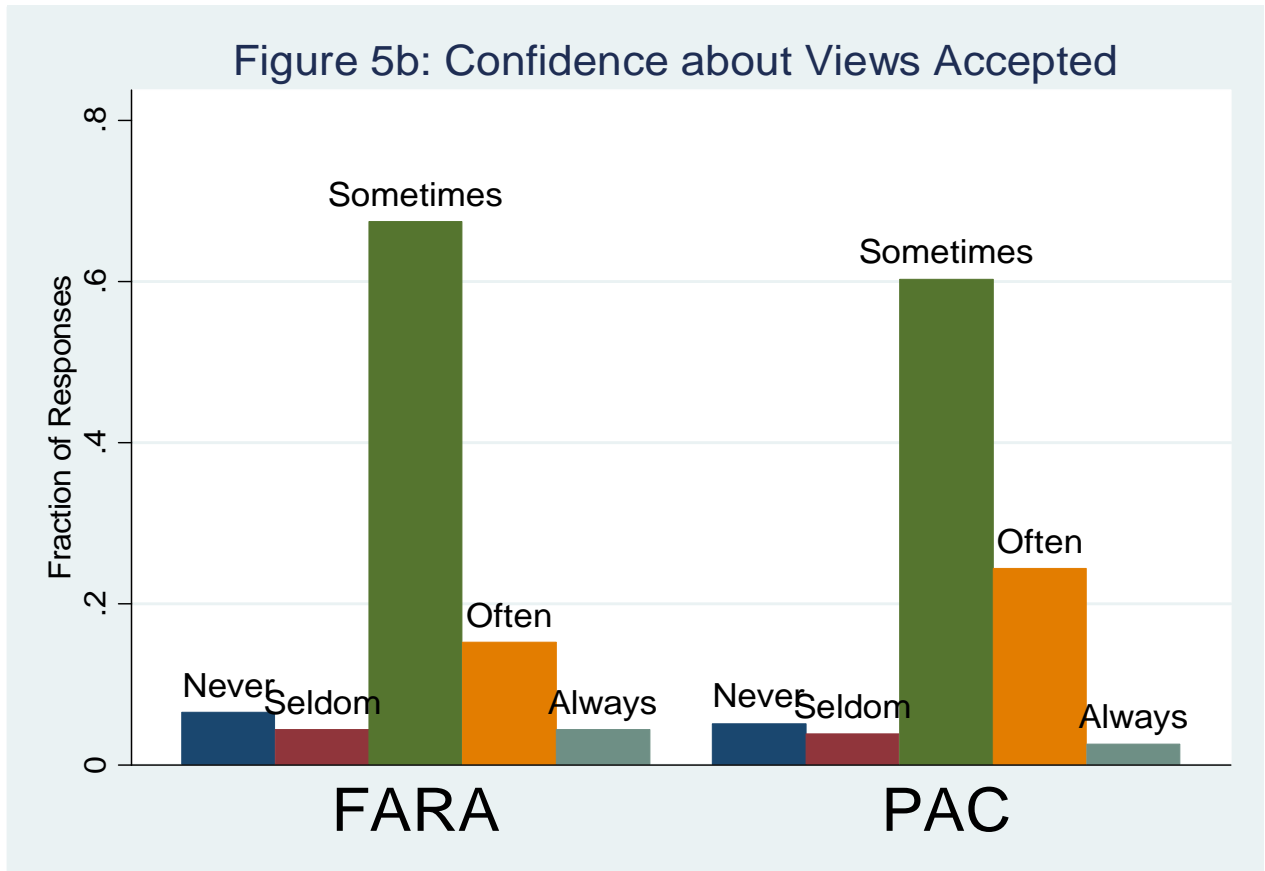
- a) International trade policy (trade agreements, preferential access, etc) \_\_\_\_%
- b) International trade litigation or regulation (antidumping, CVD, SPS) \_\_\_\_%
- c) Foreign Direct Investment (inflows and outflows) \_\_\_\_%
- d) Immigration \_\_\_\_\_%
- e) Other \_\_\_\_\_%



**FARA: N=46, PACs: N=77**

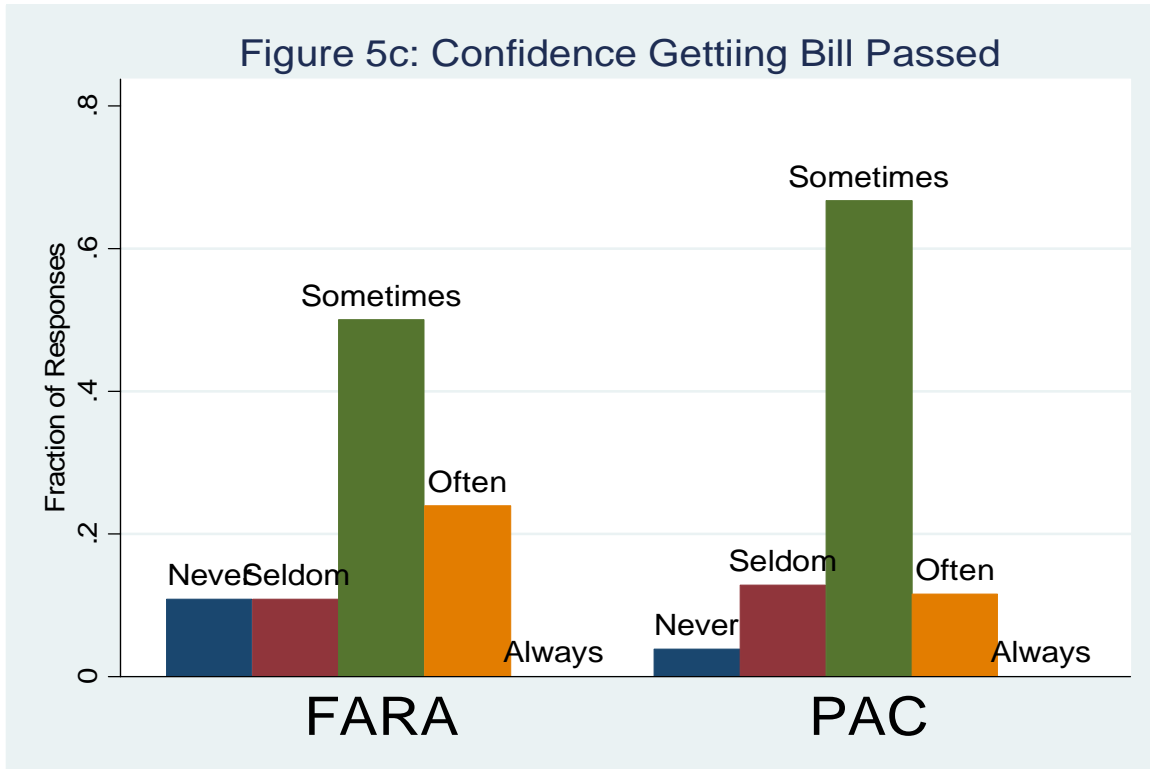
11. When representing your PAC before the U.S. government, how certain are you that you will be able to gain access to the most effective and relevant member of the U.S. government?

- a) Never
- b) Seldom
- c) Sometimes
- d) Very often
- e) Always

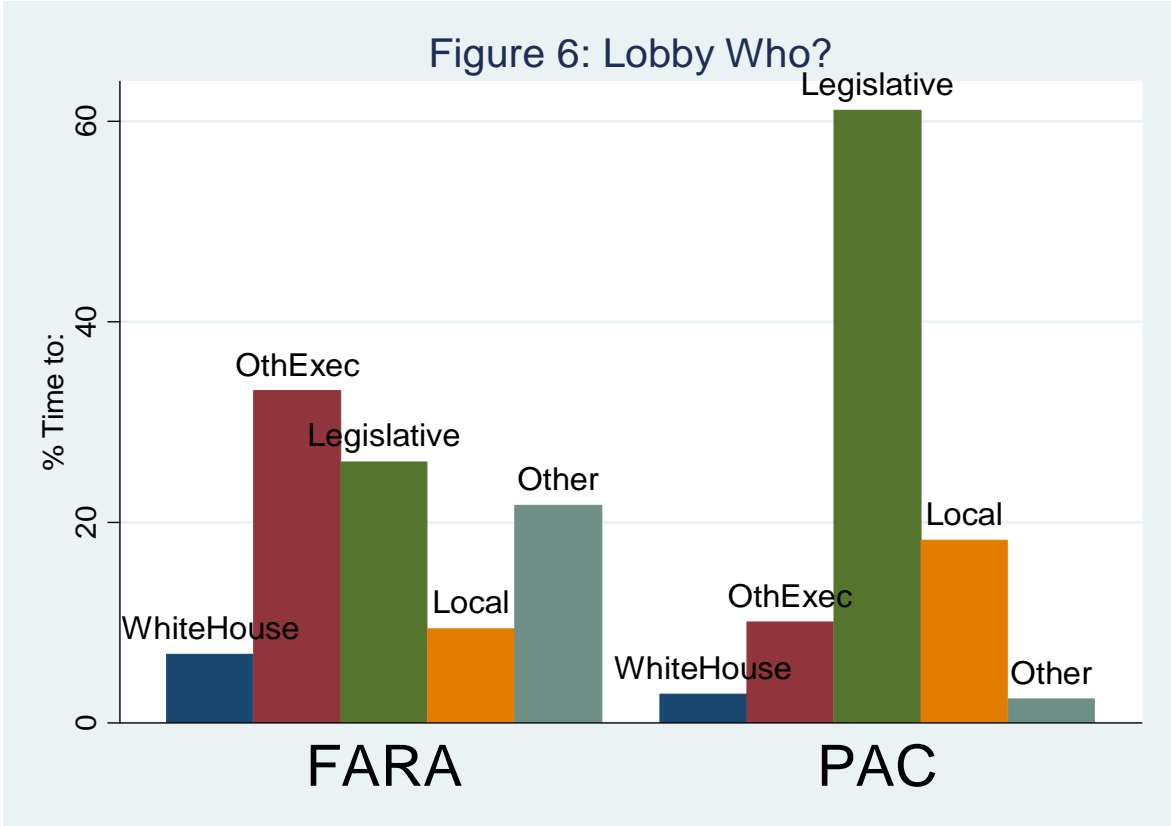


12. When contacting a policymaker on behalf of your PAC, how certain are you that your views are going to be accepted by the policymaker?

- a) Never
- b) Seldom
- c) Sometimes
- d) Very often
- e) Always



13. When representing your PAC, how certain are you that your views will eventually lead to the successful passage of a bill or resolution?
- Never
  - Seldom
  - Sometimes
  - Very often
  - Always

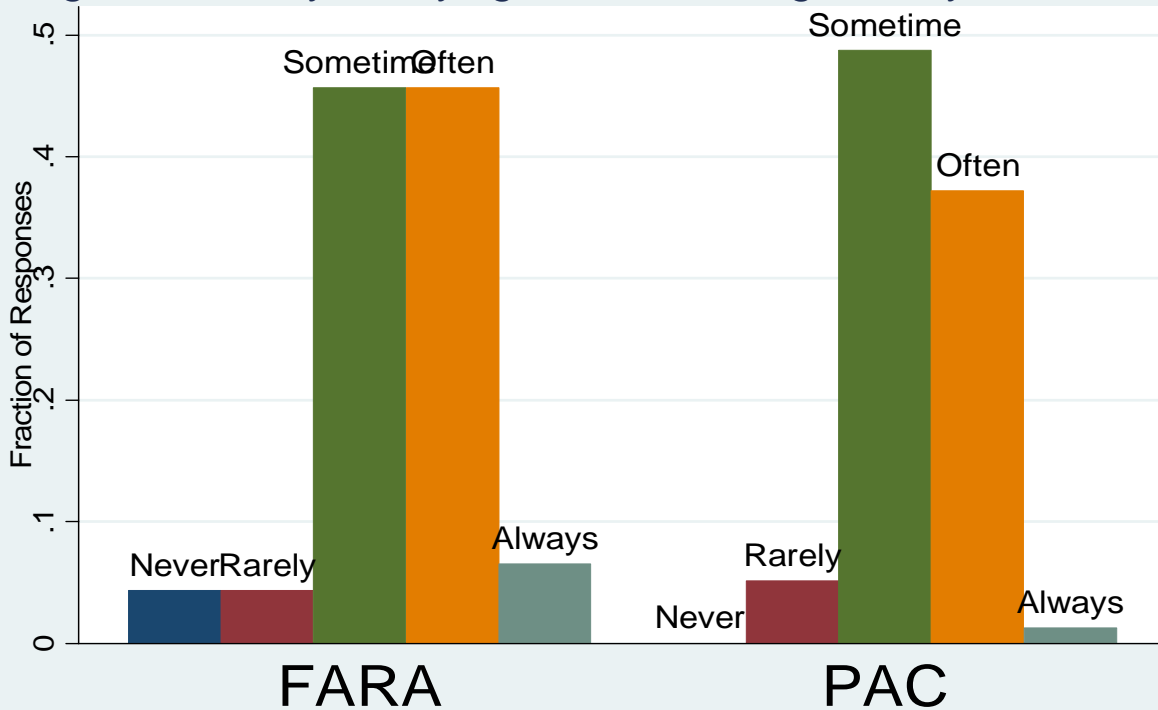


**FARA: N=46**

**PACs: N=78**



Figure 4: Costly Lobbying: Economic/Legal Analysis Effective?



**FARA: N=46**

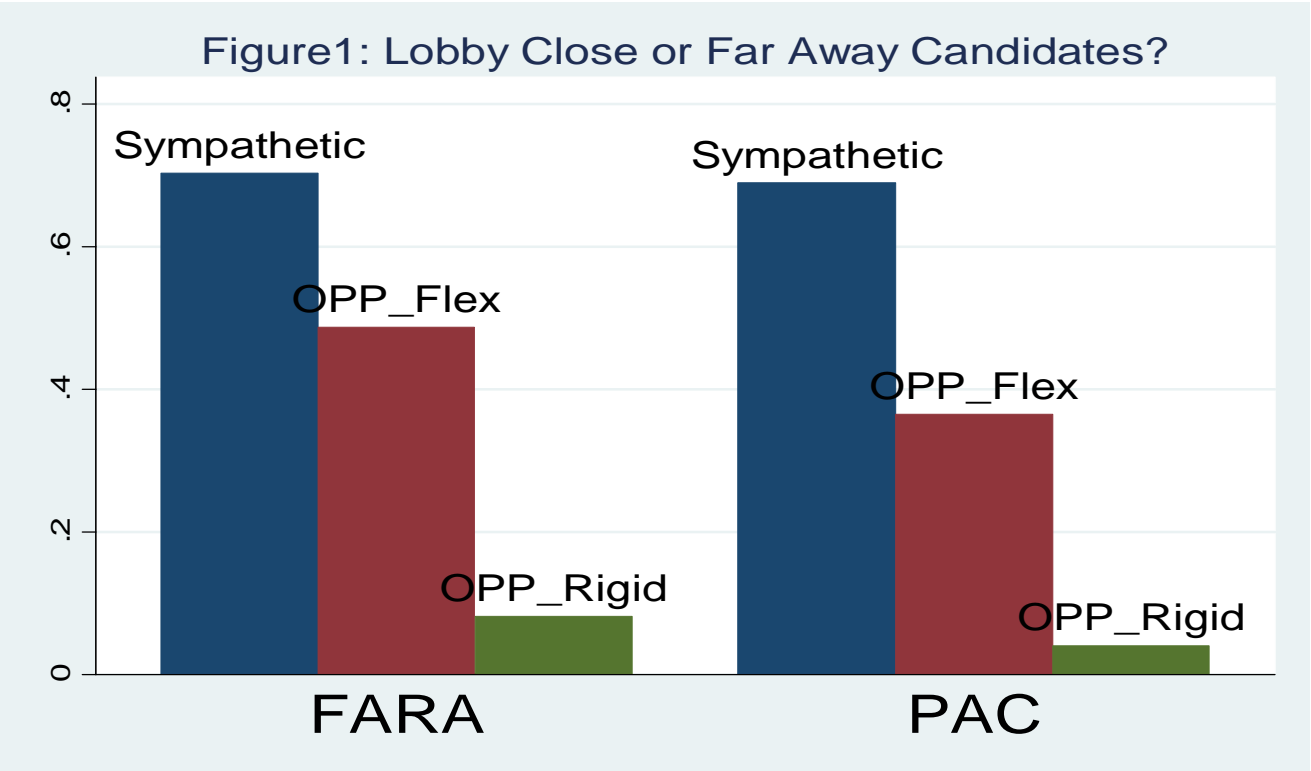
**PACs: N=78**

20. How effective is economic or legal analysis in changing or supporting views?

- a) Not at all
- b) It is rarely effective
- c) It is sometimes effective
- d) It is very often effective
- e) It is always effective

## QUESTION used to TEST THEORY

5. How would you best describe the kind of policymaker(s) you choose to contact when representing your PAC?
- a) Someone sympathetic to your position
  - b) Someone opposed to your position but can be convinced
  - c) Someone who is indifferent
  - d) Someone opposed to your position and cannot be convinced
  - e) Someone who is influential regardless of his/her position on the issue
  - f) None of the above. Please describe briefly:\_\_\_\_\_



**FARA: N=37 (fewer answered this question)**

**PACs: N=74**

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**FARA Correlation matrix (n=37)**

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	Sym	OPP_F	OPP_R
Sympathetic	1		
OPP_Flex	0.63	1	
OPP_Rigid	0.19	0.31	1

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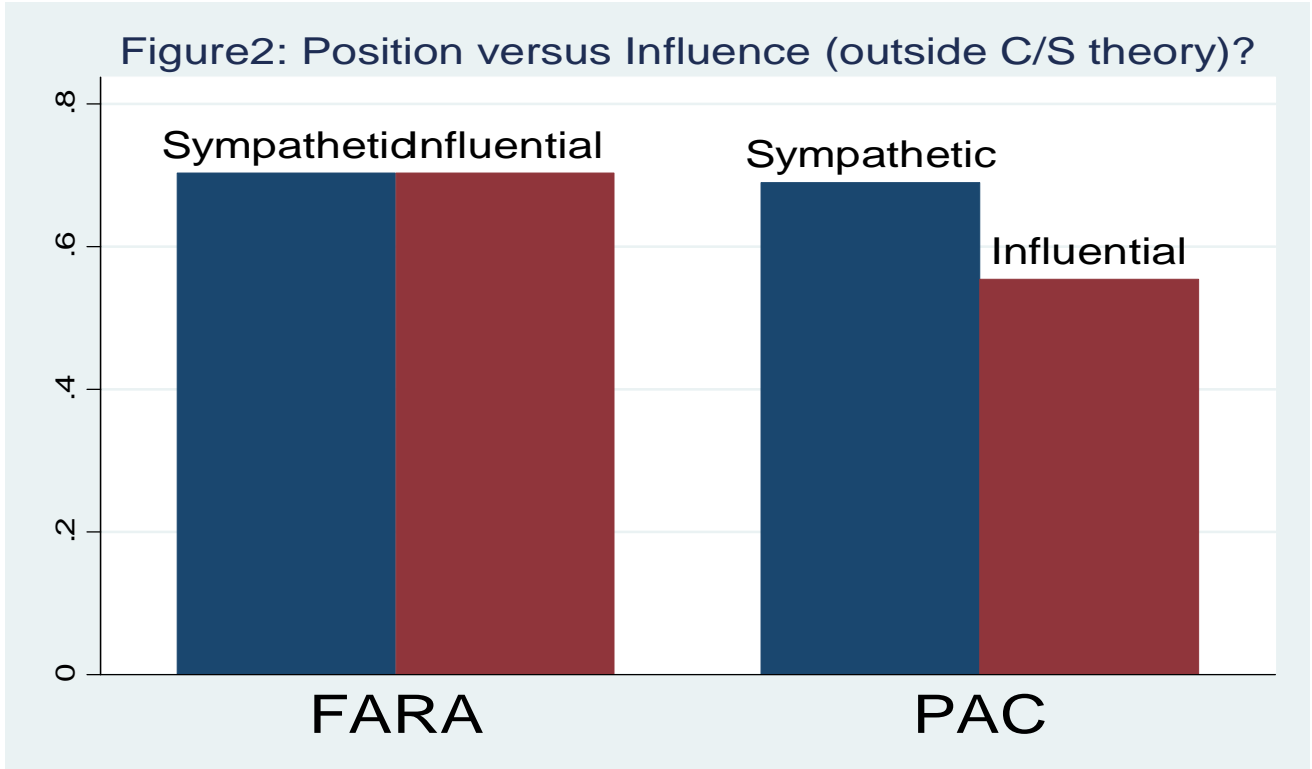
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**PACs Correlation matrix (n=74)**

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	Sym	OPP_F	OPP_R
Sympathetic	1		
OPP_Flex	0.27	1	
OPP_Rigid	0.14	0.27	1

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BUT.....

<b>FARA Correlation matrix (n=37)</b>		
	Sympathetic	Influential
Sympathetic	1	
Influential	-0.423	1

<b>PACs Correlation matrix (n=74)</b>		
	Sympathetic	Influential
Sympathetic	1	
Influential	-0.426	1

Difference in Means tests:

1. Ho: SYMPATHETIC – OPPOSED&Flexible > 0

Pooled (n=111) 0.288\*\*\* (se= .050)

FARA (n=37) 0.216 \*\*\* (se=.069)

PAC (n=74) 0.324\*\*\* (se=.067)

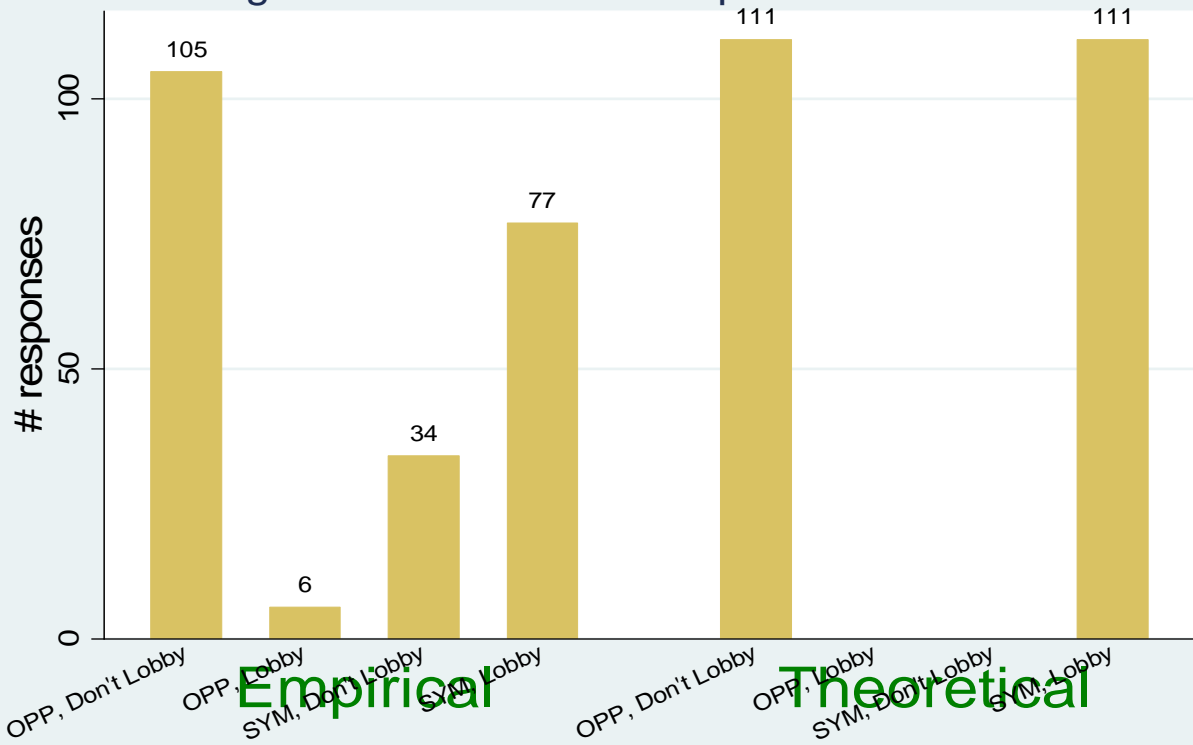
2. Ho: SYMPATHETIC – OPPOSED&Rigid > 0

Pooled (n=111) 0.639\*\*\* (se= .046)

FARA (n=37) 0.622 \*\*\* (se=.081)

PAC (n=74) 0.648\*\*\* (se=.056)

Fig 3: Theoretical and Empirical Distributions



Pearson's  $\chi^2$  tests of equality of distribution:

Ho: SYMPATHETIC {Lobby, DN Lobby} = Theoretical SYMPATHETIC {Lobby } distribution

Pooled (n=111)  $\chi^2 (1) = 40.1^{**}$  Reject Ho at 1%

(Also rejected for FARA and PAC separately)

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Ho: OPPOSED&Rigid {Lobby, DN Lobby} = Theoretical OPPOSED&Rigid {DN Lobby } distribution

Pooled (n=111)  $\chi^2 (1) = 6.17^*$  Cannot Reject Ho at 1%.

FARA (n=37)  $\chi^2 (1) = 3.13$  Cannot Reject Ho at 5%.

PAC (n=74)  $\chi^2 (1) = 3.06$  Cannot Reject Ho at 5%.

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Ho: SYMPATHETIC {Lobby, DN Lobby} + OPPOSED&Rigid {Lobby, DN Lobby} = Theoretical SYMPATHETIC {Lobby } + OPPOSED&Rigid {DN Lobby } distribution

Pooled (n=111)  $X^2(3) = 46.32^{**}$  Rejected at 1%.

FARA (n=37)  $X^2(3) = 16.05^{**}$  Rejected at 1%.

PAC (n=74)  $X^2(3) = 30.29^{**}$  Rejected at 1%.

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