The interest Group’s Access to Funding. Unpacking the EU Cross-Border Cooperation Case

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Abstract

This paper is part of a PhD project that studies the impact of EU Cohesion Policy on dissimilar types of cross-border cooperation in Belgium. The overall aim of the research project is to explain and explore mobilization and access of particular stakeholders in cross-border cooperation programs. Albeit, the academic literature is dominated by a wide-range attempts to distinct access from influence, principal studies have been ardently oriented towards the EU level of policies and institutions. In this paper, the issue of interest groups’ access is being tackled from a horizontal domestic dimension, through the following outlined research question: Why do some actors gain access to the EU Cohesion Funds? The EU Cohesion Funding is being analyzed, in the frame of cross-border cooperation programmes 2007-2013, as we draw empirically from the Interreg Flanders-Netherlands Operational Programme.

Keywords: Cross-border cooperation, Cohesion Funds, INTERREG Operational Programme, Interest Groups, Access.

1. Introduction and Research Questions

Contrary to the prevalent hidden nature of national budget-induced territorial distribution, an open policy of territorial distribution has been initiated by the EU, in the mid-1970s. The regional programme, a simple interstate transfer mechanism, functioning as a side-payment gadget, had encouraged states and actors to pool together their resources. (Bartolini, S: 2005, 259). Under the auspices of the European Regional Development Fund (ERDF – 1975), stakeholders and interest groups could benefit from the financial instruments of the European Cohesion Policy. The European Union was co-financing cooperation alongside similar amounts from the member state governments and stakeholders itself. Missing in this debate, however has been a systematic account of stakeholder’s presence in the EU funding. As a consequence, this the paper presents the first attempt to scrutinize the experience of territorial cooperation, and the pertinent factors that enable/ disable interest group’s access to EU funding.

More in all, the paper is part of the complete PhD Research Project. Its crucial focus is to explore and explain mobilization and access of particular stakeholders, into cross-border cooperation programs. In this frame, two essential research questions are being asked: How do actors mobilize in order to seek access to the cross-border cooperation programme? Why some
of them succeed to get funded, whereas others do not? We already conducted mapping and identification of stakeholders and interest groups involved with Interreg Flanders-Netherlands Programme. In order to examine the observable implications of our argument, we use an original data set comprised of 287 applications coming from actors and stakeholders, having applied for getting financed, during the time period of 2007 – 2013. This indispensable step, has contributed towards a better understanding of the ways in which actors conjoin their resources for the EU Funding.

Stimulating cross-border cooperation by subsidizing areas along the national borders in the EU was one of the main policy instruments the European Commission uses, to ‘develop cross-border economic, societal and environmental activities through joint strategies for sustainable territorial development’ (EC, 2006a). Over the last decades, the Cohesion Policy was anchored as the main tool for regions and cities from different EU Member States to work together in excess of: joint programs, projects and networks. These EU legal and financial tools have equipped regions, and by the same token, hs introduced actors with new incentives to work with. (Bartolini, S: 2005 261). This moment has contributed to creating cross-border areas with strong interconnections and interdependencies.

Actors are equipped with the necessary tools that enable them to cooperate and get acquainted with the EU Funding. Notwithstanding the broad opportunities, complex institutional structures of EU Cohesion Funding create, by no means they subsequently guarantee the access to subsidy. Mostly, ‘Access’ is defined as the channelling or exchange of policy-relevant information through formal or informal networks with public actors. (Beyers, J: 2002 3). Here, we rather access refers to getting acquainted to the funding, these actors enjoy from EU instruments. (Bouwen, P: 2004 474). Throughout this research paper, we comparatively analyze factors that contribute to enabling stakeholders to get the cross-border cooperation subsidy. A number of independent variables are expected to explain access, paramount: issue specialization, advocacy player status, contacts with decision-makers, organizational features, source of stability, and network ties. The research question this paper introduces, is the following:

Why do some some interest groups gain access in cross-border cooperation programmes while others do not?

The paper will proceed as follows. First, we will provide a brief literature review on studies concerning the interest group’s access in manifold venues (frequently within the EU and US political systems). Furthermore, the notion of ‘access’ is explained, following the Research Design of the study, proceeding to conceptualization and operationalization, as well as further
relevant methodological choices. The third section is dedicated to the investigation and mapping of the cross-border access, spotlighting within the Belgium case: Interreg Flanders-Netherlands Cross-Border Cooperation Programme.

2. Academic Relevance of studying access at a subordinate level

Academics have so-far made important strides in relation to addressing the breadth of interest groups’ policy engagement (Halpin & Binderkrantz 2007), the policy advocacy (Baumgarnter et al 2001), their strategic choices (Binderkrantz 2008), or the degree of access (Bouwen 2004) etc. A large-scale study of ‘lobbying activities’ – have a long history in the United States (Baumgartner and Leech 1998) whereas few other scholars have been concerned with the European Union and comparative European interest group scene. But sometimes, academics have conducted systematic examination of how interest groups gather, generate, synthetize, and transmit information to decision-makers. (Chalmers 2011). Jean Meynaud and Dusan Sidjanski (1971: 491–638) outlined a ‘morphologie d’accès’ to the European institutions that expressed what has become the conventional wisdom on these contact patterns: among the various routes that interest organizations could take to influence the institutions of the early European Community (EC), they highlighted the importance of the Commission and designated that access to the Council of the EU occurs, for the most part indirectly, with national interest organizations via those national departments which are in charge of the policy dossier and send their experts to the Council working groups. (Eising 2007).

Contrariwise, the academic question we tackle, refers to the explanatory factors that enable some actors to have access in territorial-structural arrangements. The study is limited to Belgium and the Netherlands, since the region Flanders-Netherlands appears to be one of the oldest forms of cross-border cooperation in Europe. The formation of group coalitions among interest groups started, already in the 1970s, after the EU’s open support incentives for territorial distribution. Furthermore, the empirical selection is equally compelling since this well-established form of cooperation amongst interest groups and stakeholders, merges organizations being formed at the EU level with similar organizations/ actors from national or sub-national level. Last but not least, Flanders-Netherlands is one of the regions where the projects have had the greatest impact onto the community. ¹

3. A notion of Access

¹ http://www.grensregio.eu/english/
Academics are acquainted with the difficulty to conceptualize interest group’s influence and access, mainly because of their exceedingly interlinked nature. Access usually implies either a successful attempt of an interest group to approach the EU institutions or the incorporation of an interest group into EU policy-making by these institutions (Eising 2007). More in general, ‘access’ is defined as the channelling or exchanging of policy-relevant information through formal or informal networks with public actors. Beyers has further specified the domains interest associations may try to access – political parties, civil servants or particular institutions such as the Council of Ministers, the European Commission or the European Parliament. (Beyers 2004).

For the purposes of this research study, we will grasp the concept of interest groups access in cross-border cooperation settings. We refer as access, the EU financial beneficiary support actors enjoy from EU funding. In this directions, actors and interest groups that get the EU financial support, are considered as official programme beneficiaries. We will use the concept cross-border coalition to denote a number of interest groups composed of a Project Leader and Project Partners that seek to gain access within an explicit programme. Our conceptualization of coalitions encompasses and entails not only their structural nature, but also assuming the ad hoc establishment for specific issues. We namely identify as a small cross-border coalition the one constituted of a Project Leader and Partners (N up to 10), whereas a large cross-border coalition comprises an N number of Partners up to 30.


The cross-border region Flanders-The Netherlands is both in geographic and economic terms of importance to North-West Europe. Core areas as the Randstad and the Ruhr-area are located close to the program area, while the Flemish Diamond, formed by the cities of Brussels, Antwerp, Ghent and Leuven, is almost entirely located within the cross-border region. Moreover, important ‘mainports’ (Antwerp, Brussels, Rotterdam) and ‘brainports’ (Eindhoven, Ghent, Leuven, Maastricht) are located in or close to the cross-border region.² During the time span 2007-2013, more than 250 project applications have been submitted in Interreg Flanders-Netherlands Operational Programme, covering one of the three main program priorities: economy, environment and people. Regardless, all the actors seek to gain access, practically access, consequently the funding support is not being granted to all of them. Hence, for the previous project application, only a total of 67 cross-border cooperation projects have been granted access to the programme. Stakeholders and several interest groups engage accordingly 3 programme priorities: economy, environment, and people. Because our sample comes from

² http://www.grensregio.eu/english/#programmagebied
a broader analysis of actual group activity over a seven-year period, our examination will provide a good insight into how broad groups of actors engage.

The literature shows no consensus on defining interest groups. Scholars have used the term interest group; sometimes organized interest; sometimes other terms. Occasionally, some membership organizations have individual persons as members, others have organizations as members, and some have both. While most membership organizations are composed either of individuals or organizations, many are hybrids, having both individuals and organizations as members (Schlozman; 1936, Salisbury; 1984). For the purposes of this research endeavor, we will embed the concept interest group quite broadly. ‘Interest groups’, ‘groups,’ or ‘organized interests,’ refers not only to membership organizations, but also to advocacy organizations that do not accept members, businesses, and any other organization or institution that makes policy related appeals to the government (Baumgartner: 1998, 22). We are accounting for active interest groups that have a certain degree of mobilization and sufficient resources to survive and strive for political outcomes. David Truman (1951), made the valuable distinction between active groups and latent interests, since latent interests exist in society, but have yet to be mobilized into an organizational form (in Baumgartner; 1998, 49). Group members can be individuals, firms, governmental institutions or even other interest groups. (Binderkrantz: 2008, 5). According to their type, we will classify the interest groups as: companies, NGOs, associations, trade unions, Public Authorities, Think Tanks and Academic Organizations).

**RQ: Explanatory: Why do some some interest groups gain access in cross-border cooperation programmes while others do not?**

Although the complex institutional structures of EU Cohesion Funding create the opportunity to benefit from cross-border cooperation subsidies, but by no means subsequently guarantee the access gain. In explaining access, we will leave out of consideration technical factors such as: failing to present the necessary documents in due time. After a more comprehensive outline of the narrow research question, the possible explanatory hypothesis will be analyzed.

The table below provides an overview of the independent variables and indicators.
### Figure 1: Overview of Variables and Indicators

<table>
<thead>
<tr>
<th>INDEPENDENT VARIABLE</th>
<th>INDICATORS</th>
<th>THE DEPENDENT VARIABLE (ACCESS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>ISSUE SPECIALIZATION</td>
<td>• Type of Interest Group (Companies, NGOs, Associations, Trade Unions, Public Authorities, Think Tanks, Academic Organizations)</td>
<td></td>
</tr>
</tbody>
</table>
| ADVOCACY PLAYER       | • Reciprocal (frequency of interaction, resources exchanged, advices exchanged, information exchanged)  
                        • Non Reciprocal | |
| CONTACTS WITH DECISION MAKERS | • Type: face-to-face meetings; write a letter; write an email; make a phone call; and participate in the ‘open consultation’ process  
                        • Frequency: Question: How many times did they get in contact with the Steering Committee (1-5) | |
| ORGANIZATIONAL FEATURES | • Budget  
                        • Staff Size (Professionals/ Members)  
                        • Types of Interest Represented | |
| SOURCE OF STABILITY   | • Coalition Life Existence (old, new members)  
                        • Expectations (gaining; not gaining access) | |
| NETWORK TIES          | • Strong (Homophily - Similar ideas and goals)  
                        • Weak (Heterophily – different ideas and goals)  
                        • Purpose (to gain information, to gain novel ideas, to gain contact)  
                        • Frequency of communicating with coalition members (time)  
                        • Reciprocal services (10 – small; 30- big) | |
Deriving Hypothesis

In order to explain access gain towards the Interreg Flanders-Netherlands Operational Programme, several independent variables have to be taken into account. Applying the logic of access, enables us to generate a number of specific hypothesis, by combining access strategies with specific organizational features of stakeholders. In general, hypotheses derive from previously tested theories. Thus, it is expected that network ties, issue specialization, advocacy player status, contacts with decision-makers, organizational features and source of stability represent possible explanatory factors of the access stakeholders get in cross-border cooperation programmes. Therefore, the following hypothesis will be tested:

**H1:** *The more interest groups seek access for issues similar to their profile, the more likely they will gain access*

Here we conceptualize as the following: ‘Whereas some interest groups identify themselves closely with issues, others look more to representation, ideology, or advocacy methods to separate their organizations from the crowd’ (Heaney 2004: 612–13). Hence we aim to measure how similar/different the issue is in the profile of interest groups. Therefore, we assume that if the issue they will work jointly is very similar to their profile, there are higher chances of gaining access. In order to do so, we will describe the interest groups’ profile: whether the interest group is focusing on a narrow range of issue or following a more generalist position. For example, if the interest groups are seeking access to the environment, and there are environmental associations in the coalition, there is a higher probability to get access.

**H2:** *The more Public Authorities are playing the advocacy role in the coalition, the more likely they will gain access*

The advocacy role is conceptualized referring Baumgarnter (2007) as anyone playing the role in attempting to push policy in one direction or another. Therefore, we designate a good advocating role when Public Authority is not only part of the coalition, but furthermore pursues a consistency of the arguments and communication with the Steering Committee. We consider the level of involvement of Public Authorities (advocating with the Steering Committee, distribution of resources- win win situation) an important variable influencing the access gain. We will measure the frequency of contact coalitions have with decision-makers, whether if they have a reciprocal or a nonreciprocal type of contact. In order to measure the frequency of contact we will ask if there succeeds a Reciprocal Interaction or a Non Reciprocal Interaction. Therefore the following indicators of Reciprocal/ Non Reciprocal Interaction will be used (frequency of interaction, resources exchanged, advices exchanged, information exchanged).

**H3:** *The more inside direct contacts with the decision-makers (Steering Committee), the more likely cross-border coalition gains access*
Inside tactics involve a more direct form of contact between interest groups and decision-makers and usually refer to old-fashioned shoe-leather strategies like writing letters, making phone calls and having face-to-face meetings. (Chalmers 2013). As Beyers (2004) explains, inside tactics are better for providing technical and complex information, are far less costly and do not carry the same reputational costs as outside tactics. Therefore, five inside strategies will be examined. Inside tactics include: face-to-face meetings; write a letter; write an email; make a phone call; and participate in the ‘open consultation’ process. (Chalmers 2013). Measuring types and tactics in terms of frequency (as opposed to importance, for instance) are based on the simple idea that ‘more is better’. In other words, sending information more frequently will result in more access. (ibid). In order to maximize their chances of receiving information, decision-makers would necessarily seek to interact most frequently with those groups that are best able to provide information. It is important to note that interacting with decision-makers does not only imply providing them with information. Groups might interact with decision-makers to get information or as part of their pre-advocacy activities (like networking). As such, instruments measuring types and tactics are not, at the same time, capturing a large measure of interest group access.

**H4: The more organizational features are mobilized in the coalition, the more likely access will be gained**

Usually the organizational features are used as the main explanatory factors a group’s access in referred as resource endowment, measured by its budget, staff size or type of interests represented (Beyers, Braun, 2013: 2). The organizational features as budget, staff size (full-staff members and the amount of professionals). Therefore, the chances of gaining access are higher as ‘joining forces should, in the end, yield substantial benefits compared to individual lobbying and, mostly, these benefits refer to gaining direct access and the realization of favorable policy outcomes’. (Beyers, Braun, 2014: 5). We will use as the main indicators of organizational features: budget (financial support the coalition can embed), staff size (full-staff members and professionals) and type of interests represented. Information will be gathered through interviews with interest organization representatives.

**H5: The more source of stability the coalition has, the more likely it will gain access**

The main argument of source of stability lines up almost automatically based on their support or opposition to the program in question, and these coalitions are rarely new. (Baumgartner et al 2001). We refer as a source of stability simply that those involved in the program are not novices; they already know the arguments. Moreover, they interact regularly with other policymakers and organizational advocates who also know the arguments (Baumgartner et al, 2001: 18). Also, the expectation of getting access and consequently financial supply helps to faster the mobilization of interest groups in cross-border coalitions. The literature suggests
examples where the rapid process of establishing a large coalition of environmentalists, whereas even in losing, expectations mattered; the coalition does not fight this issue as strongly as it might have. If they know they had a losing issue, coalitions may make the strategic decision not to waste resources on a fight that was not likely to be won. We will ask during the interviews questions related to the coalition life existence in order to measure the persistence of old/ new members, thus explaining the strong/ weak ties of the coalition. In addition, questions about the expectations of gaining/ not gaining access will detect if expectations matter when interest groups mobilize.

**H6: The stronger the ties within the network, the more likely access will be gained**

Here, it is assumed that developing network strategies are an attempt to gain access. Access strategies basically concern the venues where political bargaining takes place. This world of advisory bodies, technical committees, agencies and, to some extent, parliamentary committees is invisible or only partially visible to a large audience. (Beyers 2004). This can be expressed succinctly as either a preponderance of homophily (being similar) or heterophily (being dissimilar) amongst network members. Homophily is measured as the frequency with which each individual groups interacts with ‘like’ groups (i.e. an NGO interacting with other NGOs). Higher scores reflect greater homophily amongst network members. Heterophily is the frequency with which each individual group interacts with ‘unlike’ groups (i.e. an NGO interacting with other types of groups except other NGOs). Higher scores reflect greater heterophily amongst network members. (Chalmers 2013). In order to measure the network ties (strong, weak) we will ask for the reciprocal service: whether in between the coalition members there is a well established, very frequent symmetrical contact with all the individual interest group. Simply put, in other words means if the individual interest groups have frequent contact with each-other, if so what kind of reciprocal services they exchange (information, Exchange of Resources, Advices, Interactions, etc). Also the most commonly used straightforward measure of the tie strength: ‘time required to maintain a contact’ (Boorman, 1975), the ‘frequency of contact’ (Hansen, 1999) or ‘frequency of communicating’ (Levin and Cross, 2004), for instance, reflect tie strength. (In Chalmers 2013).

5. **(Speculative) Case selection and relevant practical choices**

These hypotheses will be tested using statistical methods. The study is empirically focused onto Interreg Flanders-Netherlands Cross-Border Cooperation Programme. Therefore, data will be available in two states: Belgium and the Netherlands. Despite the limitations of focusing in two states, there are good reasons to consider it as a critical case in itself. It will allow us to study a higher within-case variance. The variance between those interests with institutionalized access in Interreg Flanders-Netherlands and those having no access at all, will typically be explained by
a number of factors. The factors explaining this variance can be coupled in two groups: 1- institutional-organizational features of interest groups 2- mobilization through networking.

In order to test the hypotheses, access of different interest groups in cross-border cooperation Flanders-Netherlands has to be measured. A set of structured questions will be developed and used to obtain comparable and quantifiable data on the access/ non-access of stakeholders to CBC subsidy. The focus of the interviews will be mainly on those public actors (i.e Public Authorities) that deem to have the most important role in lobbying for the interest group coalition. A selection of the interest groups that have/ don’t have access in Interreg Flanders-Netherlands Program will be further conducted. For this purpose, we will consider program priorities, as described below.

*Figure 2: The three priorities Economy, Environment, and People are divided into a number of action lines*

<table>
<thead>
<tr>
<th>Priority</th>
<th>Action lines</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economy</td>
<td>- Innovation and development of knowledge-based economy</td>
</tr>
<tr>
<td></td>
<td>- Cross-border business activities</td>
</tr>
<tr>
<td></td>
<td>- Reinforcement of economic structures</td>
</tr>
<tr>
<td>Environment</td>
<td>- Nature and landscape</td>
</tr>
<tr>
<td></td>
<td>- Sustainable use of natural resources</td>
</tr>
<tr>
<td>People</td>
<td>- Cross-border cultural and administrative integration</td>
</tr>
<tr>
<td></td>
<td>- Welfare</td>
</tr>
</tbody>
</table>

All priorities and action lines of the programme have been addressed. Projects include a wide variety of partners and cover the whole cross-border region.

In each of the two cases (interest groups that have access or the ones that don’t have access in Flanders-Netherlands), we identify the relevant population of interest groups corresponding to their type: Companies, NGOs, Associations, Trade Unions, Public Authorities, Think Tanks, Academic Organizations. Furthermore, we consider under which programme priority did the coalition apply. We select a proportional number of applications that are/ are not granted access in CBC funding. This will allow the to have an equally representative sample. Interviewing interest groups from both positions (access/ no access gained), in a comparative perspective will give ample support to our hypothesis.

However, there are certain limitations that deem the result of this research endeavour. Albeit, the results will be an important step towards added to the general knowledge and literature, in regarding how actors mobilize and why they get access to the EU funding. But, still the difficulty

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to make generalizations out of one case, still prevails. Furthermore, the study is limited to a 7-years time period, thus it makes more challenging to compare the situation of actors’ mobilization and access during previous times. In addition to that, difficulties to reaching all involved actors in the programme, may also be another obstacle.

6. Research Methods and Data Collection

Examination of stakeholder’s access to cross-border cooperation programme funding, will be examined for two States – namely, Belgium and Netherlands. As one of the oldest members of the European Union, it has a well-established familiarity with structural funding, as a substance of Euro-level policy making, The empirical evidence to be used in this paper integrates various data sources: 1- the systematic mapping of stakeholders involved in Interreg Flanders-Netherlands, 2-a set of interviews with representatives interest groups that already have access in cross-border cooperation subsidy 3-a set of interviews with representatives from the interest groups to which access has not been granted.

For the purposes of this study, we have already conducted the systematic mapping that identifies and categorizes interest groups and stakeholders participating in cross-border coalitions. Through the preliminary information gathered from Flanders-Netherlands website, we established a list of total number of 287 project applications in 2007-2014 time frame. Out of this number, 67 are granted full access to the cross-border cooperation subsidy.

Interest groups participating in the coalition (Companies, NGOs, Associations, Trade Unions, Public Authorities, Think Tanks, Academic Organizations) play the main interlocutor role in the implementation process. We have already complied with the following: First, we screened several formal sources, such as the websites of cross-border cooperation programmes in Belgium during the time span 2007-2013. Identification of stakeholders has been done according to the: Project Content, Project Field, Project Manager Institution, Number and Identification of Project Partners, Funding and Project Duration. After creation of the full map of actors involved in Interreg Flanders-Netherlands, some preliminary interviews with policy makers of Interreg Flanders-Netherlands are consulted. Our aim is to have a sample not only from organizations that are actively involved in Interreg Programme, but also a sample that would give us a representative picture of the groups involved in cross-border cooperation policy-implementation more generally. Therefore, for the purposes of this research there is a probable combination of fieldwork and collection of available sources and interviews. Some stakeholders that have not gained immediate access towards cross-border funding, will be used as controlling variable to understand better why access is sometimes denied.
Further methodological choices will be taken into consideration. In this direction, a comparative light may be added to the study, through analyzing the “France-Wallonie-Vlandeeren” counterpart programme.

7. Conclusions

In this first paper, we argued that studying interest groups’ access in subordinate levels still plays a central role, to be included in academic research agendas. Sometimes, the combination of interest group access to policy-making is being analyzed in the light of EU governance. Yet, rationally generates support as “the officials of the European Commission maintain almost as many contacts with interest organizations as with Members of the European Parliament (MEPs) or with officials in the Council of the EU” (Eising 2007). It is therefore puzzling that some studies scrutinize the access of interest groups to EU institutions. Along similar lines, it has been put forward the question of policy ‘specialization’ as a distinct theme in the group literature, whereas other scholars have addressed the breadth of groups' engagement across the spectrum of relevant policy issues. (Halpin & Binderkrantz 2011).

Studying access of interest groups in subordinate levels, namely Interreg Flanders-Netherlands Programme will enable us to create the complete map of interlocked stakeholders, and furthermore explain why some interest groups profit from access and subsidy support of EU Cohesion funds. To this end, we have conceived that issue specialization, advocacy player status, contacts with decision-makers, organizational features, source of stability, and network ties. As discussed above, following an innovative research design that combines cross-border access gain (measured in interviews) will be the main data gathering sources to complete the study. Although, we will elaborate on further operationalization and methodological considerations.

Examination of interest groups’ access on cross-border cooperation initiatives, puts for consideration plans meant for future research. In this sense, part of future research endeavors will be the examination of why and how actors mobilize in cross-border cooperation initiatives. Investigating on how various actors are embedded together on joint projects and programs, will be an important question to be addressed in the future. This will add an exploratory dimension to the overall research project. Moreover, explaining various lobbying strategies actors use, may be a starting point of scrutinizing access variation. An important consideration for future research will be if necessary to add a comparative dimension, through analyzing “France-Wallonie-Vlandeeren” programme.
Bibliography


