

How pandemic has influenced the game between interest groups and politics.

A theoretical Model _____

_____ *Dr. Anjeza XHAFERAJ* _____

Abstract

When parties and interest groups interact, they can do so in several ways which could be on an informal level, lobbying for a party candidate, or group representatives approach party leaders in the parliament to lobby them on an issue. There is a plethora of studies on the extent to which major political parties and major interests have related in the past and continue to relate or interact at the organizational level. Researchers have investigated to what extent parties and groups had formal organizational ties, cooperated in elections, or worked in concert on developing and implementing policies. Factors that for decades have determined the relationship between political parties and interest groups in liberal democracies are political system and subsystem development, political culture and political ideology, centralization of government and policymaking, nature of the party system, political party dependence on interest groups, encompassing characteristics of the interest group system, interest group development, ideology and leadership. However, the pandemic has influenced to a great extent the relationship between interest groups and politics. While Covid-19 crisis has consolidated power within governments, leaving opposition parties in a bind, on the other hand it has galvanized interest groups and businesses to mobilize. The pandemic has opened up the lobbying playing field to many new players. The paper aims to investigate to what extent the pandemic has influenced the relationship between political parties, government and interest groups and what strategies have these last ones used to get heard in a time when social distancing has reduced the opportunities for face-to-face lobbying.

Introduction

The COVID-19 pandemic has affected policy making process, the relationship between government and opposition, government and civil society and government and interest groups. It had a negative impact on the incomes of individuals and business. Government had to address the crises and interest groups “volunteered” to offer their expertise in a time when government was in need for that since there was a lack of knowledge and infrastructure to address the crises. Under the circumstances, government has consolidated its power, while opposition parties remained in shadow with little opportunity to engage in the policymaking process. Governments took special emergency measures and recovery funding measures thus expanding its power over society and economy.

Even though one could expect that social distancing rules would reduce the opportunities for interaction between interest groups and government, this did not happen, at least not in US and EU. Reports indicate that lobbying spending has increased under COVID-19. According to Open Secrets, Coronavirus stimulus spurred near-record first-quarter lobbying spending. The same report shows that in the first quarter of 2020, 3,200 clients lobbied on issues related to coronavirus and 1,500 lobbying clients attempted to influence the House version of the CARES Act (Recovery Bill on Coronavirus) and clients that had never lobbied before hired lobbyist to influence on policy making. The same situation is observed in EU. Lobbying activities have attempted to influence decisions on aid packages, ‘air bridges’, international travel and when and how to re-open different sectors of society. At the outset of the crises the interaction between government and interest groups was marked by emergency. Open hearings were either canceled or held with compressed deadline. Closed consultations substituted open ones. The pandemic changed not only the framework of interest group-government cooperation, but also the way that interest groups choose to act and to what extent the level of their access to decision makers was changed (increased or decreased) (Rasmussen, 2020).

The pandemic has increased digital interest representation. In Albania, for the period 13 April 2020- 12 October 2020 the meetings of the committees and subcommittees are held online. In the framework of transparency of the work of MPs all the meetings of the committees and subcommittees conducted online are registered on webex. It resulted that there are held 177 online meetings. The distribution of meetings is as follows: 9 meetings of the CEM, 13 meetings of the CEI, 17 meetings of the CPATE, 2 meetings of the Commission of Inquiry to control the legality of actions performed by the President of the Republic, 34

meetings of the CEF, 11 meetings of the CLSAH, 45 meetings of the CLAPAHR, 3 meetings of the CNS, 7 meetings of the FPC, 5 Joint meetings of the Council for Legislation and the CLAPAHR, 3 Joint Meetings of the Council for Legislation and the CLA, 15 meetings of the CNS, 1 meeting of SGEPVW, 2 joint meetings of the SHR and SGEPV. The rest of the meetings are hearings and speeches.

There are 58 registered lobbyists or interest groups at the Parliament of Albania, which participate at the meetings of the committees and subcommittees of parliament. There are eight standing committees in the Albanian Parliament: Committee on Legal Affairs, Public Administration and Human Rights (CLAPAHR), Committee on European Integration (CEI), Foreign Policy Committee (FPC), Committee on Economy and Finance (CEF), Commission for National Security (CNS), Commission for Production Activities, Trade and Environment (CPATE), Committee on Labor, Social Affairs and Health (CLSAH), Commission for Education and Media (CEM). There is also a Special Commission for Electoral Reform (SCER). In addition to the standing committees there are seven subcommittees: Subcommittee on Diaspora and Migration (SDM), Subcommittee on Local Government (SLG), Subcommittee on Gender Equality and Prevention of Violence against Women (SGEPVW), Subcommittee on Human Rights (SHR), Subcommittee on Public Administration (SPA), Subcommittee on Supervision of Law Enforcement for Policy Vetting (SSLEPV), Subcommittee on Monitoring the Implementation of the State Budget and its Control (SMISBC).

According to the Statistical Bulletin 2017-2021, since the inception of the pandemic there are approved 225 laws aimed at addressing the pandemic, distributed as follows: 147 in 2020 and 78 for the first half of 2021. In addition to these there are approved 69 laws to address issues emerged because of the pandemic (even though it is hard to distinguish between the first and the second) distributed as follows: 32 laws in 2020 and 37 in the first half of 2021. For the same period, the parliament of Albania has approved 403 laws. Thus, laws approved to address issues related to the pandemic (294 in total) comprise 73% of the total laws approved during this period. This is indeed a very high percentage, and it is worth to investigate the procedures followed and the nature of the laws approved since the inception of the pandemic. It is equally important to investigate the interplay between interest groups and MPs in the process.

The aim of the paper is to design a theoretical model for analyzing the influence of the pandemic on the interaction between interest groups and government. The paper is organized in the following sections: I. Introduction; II. What are interest groups and the legal framework that regulate their activity in Albania; III. Current state of research on the relationship between interest groups and parties; IV. A Theoretical model to analyze the role that interest groups play in the policy process.

What are interest groups and the legal framework that regulate their activity in Albania

There is a vast literature on interest groups and equally vast on their definition (Baumgartner and Leech 1998, 25–30). Some place more focus on concepts such ‘formal organization’, ‘influencing of public policy’ (Zeigler 1992, pp.377-380), ‘open membership associations’ (Walker 1991) and some others pay more attention to the ‘policy participant’ element (Jordan and Maloney 1992) who contend that interest groups are not necessarily membership organizations, but rather institutions such as universities, cities and corporations. In United States, some scholars define interest groups purely on legal grounds: those who are registered by law (Gray and Lowery 1996; Hunter, Wilson, and Brunk 1991; Schlozman and Tierney 1986 in Thomas 2001, p.7). The definition even though easy to understand, leave out of the focus the plethora of policy participants (major government entities that lobby), informal groups (*ad hoc* groups formed to deal with problems like crime, education, or environment (Thomas 2001, p.7). To avoid such problem, Thomas and Hrebenar (1995) use the following definition “An interest group is an association of individuals or organizations, usually formally organized, that attempts to influence public policy” (p.114). As Thomas (2001, p.7) points this is a catch all definition which allows all types of interest groups such as traditional interests of business, labor, agriculture, environment, education in addition to voluntary organizations mainly concerned with social welfare issues as well as governmental bodies at all levels to be included, thus leaving no one outside.

The number and role of interest groups has increased since their inception and is often considered as one of the factors that has caused the decline of the role and importance of political parties in the Western world. The reason behind this is that both political parties and interest group aim to represent society or different groups within society and in this context they fight for ‘clientele’ (Thomas 2001, p.12).

The entitlement to have interest groups, their role and functions are defined in the Constitution of the Republic of Albania (1998). The Constitution specifies that the economical system of the Republic of Albania is based on the private and public property, on the market economy and it ensures the freedom of economic activity (Article 11). The freedom of the economic activities makes inevitable the birth of economic and social interests which could be even conflicting with each other. The Constitution foresees also that citizens have the right to get organized in collectivities in order to protect their lawful interests and it guarantees the

liberties and political, social and economic rights of the citizens of Albania (Article 45-58).

Beqiri (2017) identifies the following interest groups:

- syndicates or labor unions (law.7516, dt.7.10.1991) which could get organized in line with their branches, professions and territorial distribution, in the private and public sector;
- Business groups: Trade Chambers are examples of business groups. They are present in all the cities of the country. Their role is to protect the economic interests of traders, entrepreneurs, and business community at large. Legislation such as fiscal packages that government enact every year and influence taxes and tariffs that business groups pay to government should be compiled in cooperation with them.

It is clear that in order to understand the role that interest groups have played during the pandemic we should know which are the members of the Chambers of Commerce and whether they have participated in the meetings held by the parliamentary committees and subcommittees after the outbreak of the pandemic.

Current state of research on the relationship between interest groups and parties

There is a plethora of studies on the link that exist between political parties and interest groups. Scholars such as Lipset and Rokkan (1967), Michels (1917), Przeworski and Sprague (1986) contend that mainstream political parties focus on a small set of issue areas during their electoral campaign. New issues, whose electoral benefit is unknown, are left outside of the public discourse. The reason behind this is that political parties, being organizations, whose purpose is to win elections and form a government (alone or in coalition) choose strategies which will help them maximize their electoral support and thus they attempt to concentrate voter attention on issues they are in line with the electorate, and which contribute positively on their reputation.

Political parties and interest groups are the most important organizations that link citizens with their government (Thomas 2001, p.1). While scholars have analyzed them separately in numerous works their role in the political sphere, the number of studies that have investigated the relationship among them is not small either. Left wing parties have traditionally stronger links with labor organizations and trade unions, while right wing parties with business,

even though the degree of such alliances exhibits different shades and strengths in the various countries of liberal democracies. In addition to the traditional links between party wings and interest groups, the ones made public, the general tendency for interest groups is not to establish formal relationships with political parties, but rather seek political influence through other channels (Thomas 2001, p.2).

Parties and groups interact in different ways, formal and informal. Informal relationship occurs when an interest group help individual party candidates during elections, when it approaches party leaders in the parliament or executive to lobby them on an issue or when it is the government itself, or rather the party in public office brings several groups together on an *ad hoc* basis to deal with issues pertaining to the interest groups summoned (Thomas 2001, p.3). Formal relations are easier to recognize. They are written in the statutes of parties and groups and formalized through regular meetings, financial contributions and public appearances. The formal relationship could manifest itself during elections and/or when parties and interest groups cooperate on developing and implementing policies.

Scholars of pluralist theory approach and of rational choice contend that the relations between interest groups and parties are important and influence power relationship, policy processes and outcomes, campaign funding, political recruitment and candidate selection and promotion in elections (in Thomas 2001, p.11-12).

While they 'cooperate' they also compete with each other. In the early years of scholars' studies, the general contention was that when parties were strong, interest groups were weak and the other way around (Schattschneider 1942). However, further studies and changes in the social and economic landscape proved that such relationship among parties and interest groups were not always true (Thomas and Hrebennar 1999, pp.121). Strong parties and strong interest-groups could co-exist and even precisely because interest groups are strong, parties strengthen themselves in order to not become overcome by them.

Research on political party – interest group relationship identifies nine factors that define such relationship. These factors are political system and subsystem development, political culture and political ideology, centralization/ decentralization of government and policymaking, nature of party system, political party dependence on interest groups, encompassing characteristics of the interest group system, interest group development, present group goals and ideology and group leadership (Thomas and Hrebennar 1995 in Thomas 2001, pp. 15-18). The nature of the relationship develops in different ways. When party system has developed as the result of strong ideological cleavages in a society, interest groups are more likely to ally with certain parties (labor parties or capital

parties). When the attitude toward government is sceptic, the relationship between parties (especially parties in public office) and interest groups is weak. Another relationship pattern is observed in unitary and federal systems. Unitary system tends to centralize interest groups, closing thus the avenues to regional and local interest groups, which could flourish in federal systems. The nature of the party system influences the strength of party-interest group relationship as well. Strong party systems encourage strong ties between groups and political parties in line with political parties' ideological orientation in terms of left-right dimension and weak party systems encourage neutral and pragmatic interest groups. Financial regulations of party funding are important factors that influence party-group relationship. The extent to which interest groups are legally allowed to finance and actually finance political parties' campaign, provide technical information to parties and influence policy enactment define also how dependent are political parties on interest groups and thus to what degree interest groups can influence policy process.

The encapsulation of society in interest groups and the number of interest groups are factors that influence the relationship strength between parties and interest groups. The greater the number/percentage of people belonging to interest groups and the smaller the number of interest groups representing these people the stronger is the influence of interest groups on policy process. The reason behind this is that high percentage of population encapsulated within interest groups increases their leverage on policy making and the smaller the number of interest groups, the easier it is to coordinate among them and agree on desirable outcomes of policy making. The origin of the interest group is also important in defining the attitude of interest group toward political parties. Thus, labor groups have built close alliances with left wing parties (radical or socialist parties) and professional groups and trade associations not having ideological origins have neutral or pragmatic approaches towards parties. In line with the logic of interest group origin is also the present group goals and ideology factor. Following this, if the group's goals are strongly ideologically positioned than the interest group will very likely tend to cooperate with parties with which it shares its ideological stances. Lastly, group leadership influences the relationship between parties and interest groups drawing from personal networks and past experiences, which could result in building alliances with parties which not necessarily share the same ideological stances with those of the said interest group (Thomas and Hrebenar 1995).

Yishai (1995), Wilson (1990) and Thoms and Hrebenar (1995) have identified five specific forms of party-group relationship which are based on ideological affinity or adversity, organizational linkage or lack of them and similarities or differences in strategy. The five-model designed are integration/strong partisan

model, cooperation/ideological model, separation/pragmatic involvement model, competition/rivalry model and conflict/confrontation model.

The integration/strong partisan model denotes a relationship model where the political party and the interest group are almost identical or very close organizationally. Such proximity could come because of the interest group is a spin-off the party and could have ideological affinity with it. The Cooperation/Ideological model happens when the connection between a political party and an interest group is strong because they share the same ideology, policy orientation and historical circumstances. This is the case when interest groups represent the interests of the business, professional groups, conservative parties, farmer's organizations, and rural parties. The third model is that of separation/pragmatic involvement model in which the interest group is independent of any party and due to the fact, that has no partisan attachment to any party it is willing to work with any party, being that an incumbent party or a party in opposition regardless of policy orientation and ideological positioning. In this model the cooperation occurs on an *ad hoc* basis and is characterized by pragmatism. Professional technical and nonideological groups (architects, airline pilots) and social issue and public interest groups (children's rights groups) fall into this category. The fourth model is the competition/rivalry model in which interest groups and political parties compete for members and funds. It occurs when parties and groups have similar ideology and policy goals like green parties and environmentalist or socialist parties and labor unions. The last model is that of conflict/confrontation. Differences in ideology and policy orientation are major drivers of conflict. Usually, parties and groups are positioned at opposite ends of the political spectrum, even though cases when a party and group have the same ideological bases but disagree over a policy or its implementation happen as well.

Policy orientation and ideological positioning in the political spectrum is one of the factors that condition the relationship between parties and interest groups. However, organizational capacity and willingness of political parties to perform political functions play an important role in this relationship. The activity of interest groups is constrained and limited when parties are strong and fully use their capacity. When parties are less willing to perform their political functions, interest groups have a wider spectrum of functions and are more active and present in the political domain (Thomas 2001, pp.22).

According to Farrer (2014) 'proportional representation electoral rules (PR) force policy-making to be more responsive to political competition, whereas corporatism and centralization lower this responsiveness of policy-making to political competition (pp.632). Jordan and Maloney (2001) contend that the trend toward the "catchall" party model has weakened the relationship between

parties and interest groups, because parties tend to appeal to various segments of society often with conflicting interests with each other and interest groups on the other side try not to pursue a strategy which identifies them with one major party (pp.29). Following this line of reasoning since Albania has either had mix electoral system or proportional one, it is thought to be more responsive towards political competition among various interest groups, assuming such groups bring their competitiveness in the public arena.

Theoretical model to analyze the role that interest groups play in the policy process- Affecting public policy

Literature identifies inside and outside lobbying as strategies pursued by interest groups to influence policymaking. Inside lobbying is the process of influencing policymakers through direct interactions such as advisory boards, consultation, or personal contacts (Beyers 2004, pp.213). Outside lobbying, as the term indicates, seeks to influence policymaking from outside, indirectly, by garnering public support (Kollman 1998, pp.3). Outside lobbying strategies of interest groups comprise tactics such as protesting, holding press conferences, making public speeches, and organizing petitions. By using these tactics interest groups aim to garner public support in their efforts to influence public policy making (Tresch & Fischer 2015, pp.356).

In order to address the pandemic the government sought to address a wide number of issues and problems such as preventing transmission, ensuring sufficient physical infrastructure and workforce capacity, providing health services effectively, paying for services and issues related to governance. Thus it dealt with health communication, physical distancing, isolation and quarantine, monitoring and surveillance, testing, physical infrastructure and workforce, planning health services, managing health cases, managing essential services in the health sector, health financing, entitlement and coverage, centralization or decentralization of government services, in and out of lockdowns, engagement or not of civil society, travel policies, strategies and approaches implemented within schools and the like (COVID-19 Health System Response Monitor).

Following this analysis, I propose a theoretical model which first defines which kind of interest groups are in Albania and what is their relationship with political parties. Being a new democracy with vague political cleavages, the expectation is that the separation/pragmatic involvement model in which the interest group is independent of any party and that the cooperation occurs on an *ad hoc* basis and is characterized by pragmatism. Another important element in the theoretical model is to disentangle the web of laws approved during and

for the pandemic so that we could identify who are the interest groups that have benefited and or consulted during the pandemic. Comparison between the registered lobbyists and the actual interest groups that have benefited from the laws approved will indicate the real state of the relationship between interest groups and government.

Third, it is important to evaluate whether special interests have prevailed and conditioned policy making and whether specific groups have benefited more than the others and/or have been privileged. A fourth and a last element is the analyzes of the strategies that interest groups have used to affect policy in terms of inside lobbying or outside lobbying. Inside lobbying is more difficult to measure, unless meetings are recorded, but outside lobbying is easier to track by analyzing strategies that interest groups have pursued to make known their interests and to garner public support.

The literature on the role that the pandemic has played on the government-interest groups relationship is in its making. New avenues will come soon. However, this paper has set a new path in the analysis of the policy making and how it is influence by interest groups.

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