Abstract. The aim of presented paper is to provide interpretation possibilities of transparent, integral lobbying phenomenon in Lithuanian law system and to divulge possible points of interaction between lobbying and sustainable development. Authors reveals definitions of lobbying, according to legal regulation of lobbying in EU and Lithuania legal acts. With reference to expert interview results and analysis, were identified problematic aspects, which helped to formulate the interim and final conclusions. Also authors seeks to find answer the question if science sector is active in latent lobbying; what patterns and possible trends of this phenomenon with sustainable development. Science, as social technology, is the driving force of the sustainable development and industrial revolution. Its mentioned in EU and Lithuanian long term strategic documents. This affects to research manifestations of lobbying in this sector. Obtained results, it is believed, will help to improve lobbying law regulation; will create preconditions to remove the legal contradictions and loopholes; will shape favorable environment for sustainable development and competitiveness process.

Keyword: lobbying, lobbyist, science, legislation, decision maker, interest groups, transparency and integrity in lobbying.

Reference to this paper should be made as follows: Stankevičius, A.; Lukšaitė, A. 2016. Transparent lobbying for sustainability: case of Lithuania, Entrepreneurship and Sustainability Issues 4(2): 220-227. DOI: http://dx.doi.org/10.9770/jesi.2016.4.2(9)

JEL Classifications: H30

1. Introduction

1 Science means higher education and research sector.
2 Definition “latent lobbying” reveal also such meanings of negative lobbying as “illegal lobbying”, “closed door lobbying”, “not ethical lobbying”, “non-transparent lobbying”, “opaque lobbying”, “undue legislative process”, which encourages corruption.
The legislative process is inseparable from the various groups and individual members of the public opportunities to represent their interests, resulting in the adoption of legislation and decision-making institutions, transparency and openness, which is a democratic society one of the key principles (Goyal, Sergi 2015; Slapikaitė et al. 2015; Urmonas et al. 2015; Bieliauskaitė et al. 2016). The Treaty on European Union and the Treaty on the functional, of the European Union 2012 / C 326/01, Article 15 establish such provisions: "In order to promote good governance and ensure the participation of civil society, the Union's Institutions, Bodies, offices and agencies shall conduct their work as openly as possible (...). Any citizen of the Union, and any natural or legal person residing or having its registered office in a Member State, shall have a right of access to documents of The Union's Institutions, Bodies, offices and agencies, whatever their medium, subject to the principles and the conditions that without defined in accordance with this paragraph." This regulation establishes the legal democratic behavior standard- interest groups participate in the legislative process through lobbying activities.

To establish a precise definition of lobbying is not simple. The definitions used range from very narrow to very wide approaches. In order to avoid excessive lobbying definition interpretation, authors divulge definition of lobbying, according EU and Lithuanian law regulation. It is argued: firstly, EU law norms defining lobbying and lobbying activity are more comprehensive; secondly, expert interview was made in Lithuania, thirdly, Lithuanian law on lobbying activities are not working.

Agreement between the European Parliament and the European Commission on the establishment of a transparency register for organizations and self-employed individuals engaged in EU policy-making and policy implementation establishes provisions, what kind activity of interest groups will covered by law regulation: “The scope of the register covers all activities, other than those referred to in paragraphs 10 to 12, carried out with the objective of directly or indirectly influencing the formulation or implementation of policy and the decision-making processes of the EU institutions, irrespective of where they are undertaken and of the channel or medium of communication used, for example via outsourcing, media, contracts with professional intermediaries, think tanks, platforms, forums, campaigns and grassroots initiatives.” Lithuania has law on lobbying activities from 2000 y. This Law shall regulate lobbying activities, their control and liability for violations of this Law. The Law shall seek to ensure publicity and transparency, prevent illegal lobbying activities.

The act also provides the definitions of lobbying activities and lobbyists:

1. “Lobbyist “means a natural or legal person recorded in the Register of Lobbyists in accordance with the procedure laid down by this Law”. Noticeable, that who wants to get status of lobbyist has obligatory to record in the register. The same practice we can find in EU law regulation of lobbying.

2. "Lobbying activities" means actions taken by a natural or legal person for or without compensation in an attempt to exert influence to have, in the interests of the client of lobbying activities, legal acts modified or repealed, or new legal acts adopted or rejected.

It is important to emphasize, that the EU Agreement lobbying meaning disclosure through activity, which clearly helps to understand the phenomenon of lobbying concept, Republic of Lithuania law on lobbying activities- through lobbyist definition.  

2. Methodology

In order to characterize lobbying definition in European Institutions and Lithuanian country – was chosen comparative analysis method. The logical analytic method- used to analyze collected information for formation of the intermediate and final conclusions. Document analysis method- taken to obtain information using qualitative

---

3 Hereafter- Agreement

4 Author's opinion, Republic of Lithuania law on lobbying activities establishes contradiction, leaving legal loopholes (gray zones).
analysis investigating concepts, programs, strategic documents, current legislation, and scientific publications. The main, basic research method of the topic- the individual (expert) interview method was chosen for the qualitative investigation. Obtained material was analyzed using the content analysis method.

3. Expert interview

To obtain information from a wider circle of participants who are concerned with lobbying in a broad sense, the scientific research, interviews were interviewed persons whose activities are related to legislation; research institutions; inspection; participation in the competition project activities financed from public funds, which aims to research the product; state lobbying and public interest in public service harmonization of supervision and institution, which promote civic goal is anti-corruption initiatives and their encourage creation. Table nr. I shows a map of sample characteristics.

<table>
<thead>
<tr>
<th>Expert nr.</th>
<th>Current Professional Status, represented by sector</th>
<th>ROLE work and experience, a significant issue in terms of exploration</th>
<th>socio-demographic characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Professor at the state University, habilitated Ph.D.</td>
<td>Participates in the project and expert activities, and customer surveys</td>
<td>Man, about 50 y.</td>
</tr>
<tr>
<td>2</td>
<td>Managerial position at the state University, associate professor</td>
<td>Managerial work experience in various sectors of education; Working the highest levels of government structures experience, elected politician experience</td>
<td>Man; about 55 y.</td>
</tr>
<tr>
<td>3</td>
<td>Chief Official Ethics Commission (COEC)</td>
<td>is independent collegial public institution in charge for the control (supervision) of adherence to the standards of institutional ethics and conduct, regulation of public and private interests in civil service, and control of lobbying activities assigned to its competence by the law</td>
<td>Woman; about 35 y.</td>
</tr>
<tr>
<td>4</td>
<td>Member of Seimas, has experience of state university management and associate professor status</td>
<td>Long-standing members of LRS, experience in various managerial positions in the Seimas groups, Speaker of the Seimas experience; Leading positions at the university experience, teaching experience in higher education.</td>
<td>Man; about 50 y.</td>
</tr>
<tr>
<td>5</td>
<td>JCS (private capital), lecturer at private college</td>
<td>Participation in scientific project work experience</td>
<td>Woman; about 32 y.</td>
</tr>
<tr>
<td>6</td>
<td>Lobbyist</td>
<td>Officially registered lobbyist since 2011. He is a part of JSC, which is registered in COEC registraslobbyists</td>
<td>Man; about 35 y.</td>
</tr>
<tr>
<td>7</td>
<td>JSC (private capital) Associate professor at private college</td>
<td>Participation in scientific project work, invest in research.</td>
<td>Woman; about 50 y.</td>
</tr>
<tr>
<td>8</td>
<td>Transparency International Lithuania, lecture of the private university</td>
<td>The main objectives- To form and promote intolerance for corruption in Lithuanian society; systemically gather and spread anti-corruption information; initiate and organize research analyzing the phenomenon of corruption; create learning tools and programmes related to dealing with corruption.</td>
<td>Woman; about 30 y.</td>
</tr>
</tbody>
</table>

(Manion C. 1989), indicates a threefold purpose of the research interview method:
1. Direct tool to get required information.
2. Measure the hypotheses raised in check.
3. Interview in conjunction with other methods can be used to gather information and consideration of other methods.

The obtained material was analyzed using the content analysis method. „Defines content analysis as a research technique for making replicable and valid inferences from data to their context“ (Krippendorff 1980). **Content analysis** is a procedure for the categorisation of verbal or behavioral data, for purposes of classification, summarisation and tabulation. The content can be analysed on two levels. The basic level of analysis is a descriptive account of the data: this is what was actually said with nothing read into it and nothing assumed about it. Some texts refer to this as the manifest level or type of analysis. The higher level of analysis is interpretative: it is concerned with what was meant by the response, what was inferred or implied. It is sometimes called the latent level of analysis.

Interview object - a) the possible manifestations of lobbying in science b) the possible manifestations of lobbying for funding research project work, c) potential regulatory loopholes and / or advantages. Interview conducted in 2015 of April-September. Each interview was conducted in 60 to 90 minutes. Introductory interview subjects were under investigation to explain the meaning and context. It was also emphasized that the interview is confidential and that the confidentiality of the investigator based on the social scientific ethics. In order to ensure one of the main qualitative research works of "openness" methodological quality principles, informants were asked broad, open, encouraging diversity of opinion surveys.

Interview developed without imposing the term "lobbying", it was guided by the investigator perspective, these promising thematic-story lines: expression of interest groups in the science or research activities; expression of diversity; interest groups manifestations methods, forms; possible environmental performance; examples of situations; the legal regulation of these activities, the existing gaps; improvement of legal regulation in this area, for reasons of transparency, accountability and the rule of equality and pluralism of opinions; examples of good practice.

The beginning of the study and a brief abstract informant familiar with the problems is analyzed in order to show the progress of the interview and thematic- story lines. During the interview argumentative topics were developed, attempts to reveal the problem more deeply. All informants shown willingness to assist the investigation, responded sincerely and fully justified their answers.

Informants' statements analysis allowed identify the following thematic-study topics:

- Lobbying latency problem in scientific activity
- Indirect lobbying manifestations in science
- Expert labor problems of transparency, openness, accountability problem
- Lobbying regulatory loopholes
- Lack of education about the phenomenon of lobbying
- Limited, discriminatory character access to information in legislative process

4. Generalizations

According to interview results, problematic aspects are classified into classes: legal-material; procedural- legal and social - cultural.

**Legal - material** group classification are based on these thematic lines: “lobbying latency problem in scientific activity”; “indirect lobbying manifestations in science lobbying definition and regulatory loopholes”. It presupposes to improve definition of lobbying, in law system, consolidating the fundamental provisions. In this case, lobbying
is perceived as a legislative object. The investigation revealed the existence of non-transparent lobbying character in research and higher education sector, Lithuanian case. Analyzing the definition of lobbying, the major challenges are to establish definition by law norms, without contradictions and loopholes. Republic of Lithuania law on lobbying activities is not working in practice. (Stankevicius A. et al 2014; Lukosaitis A. 2011). According to this act, activities of non-profit organizations aimed at exerting influence in the common interests of their members to have legal acts modified or repealed, new legal acts adopted or rejected are not covered as lobbying activity, so, do not have duty to disclosure they interest, beneficiaries, target, actors, etc. International research data indicates that they are the largest interest groups to influence the political - legal decisions. When asked which groups match the definition of a ‘lobbyist’, two-thirds of respondents named trade associations, with public affairs agencies (58%), NGOs were named as lobbyists by more than half of the respondents (51%) and professional organizations (57%) being other common responses. With 26% of respondents across Europe identifying it as the most negative aspect of lobbying, a lack of transparency remains the most prevalent weakness in lobbying practice. Giving undue weight in the process to elites and the wealthy (24%) and not providing neutral information (23%) follow close behind. (Burson-Marsteller. 2014). A broad range of interest groups and their representatives are looking to inform and influence public decision-making, contributing to a generally dynamic democratic environment. A number of actors attempting to influence decisions, from the private, public, not-for-profit and legal fields, do not consider themselves to be lobbying as such, and the activity is frequently called by another name – advocacy, public affairs or interest representation. (Transparency International 2015).

This loophole might be the primary reason why the institute of lobbying in Lithuania is not viable and effective, which exert opaque, defective legislation.

Legal- proceeding group. According to obtained interview data, it covered by this thematic lines: “limited, discriminatory character access to information in legislative process”; “expert labor problems of transparency”; “openness, accountability problem”. Access to information in legislative process is another principle of clear lobbying activity- integrity. This principle is one of the important aspects of fair competition. Based on international scientific research, citizens and interest groups have little opportunity to know who is influencing public decisions, on what issues and how. Although all countries except for access to information laws, in practice, citizens, media or other interest groups face practical hurdles in making successful information request (Transparency International 2015). Countries should enable stakeholders – including civil society organizations, businesses, the media and the general public – to scrutinize lobbying activities. The public has a right to know how public institutions and public officials made their decisions, including, where appropriate, who lobbied on relevant issues. Countries should consider using information and communication technologies, such as the internet, to make information accessible to the public in a cost-effective manner. (OECD 2015). The authors argue that equal and fair access to information must be provided to strengthen the institutional platform that would be available for public scrutiny both economic and technological aspects. Development and implementation information and accessibility of public decision making process, it’s very important to ensuring such public initiatives like watchdogs, observers, privet interest disclosure system and content ("legislative footprint", beneficiaries, client, lobbyist, politicians ), which ensuring timely access to such information.

Social – cultural aspect- lack of education and understanding about the phenomenon of lobbying. Revealing the contents of this classification, it should be noted that Lithuania is a post-soviet country. Lithuanian social life is a widespread of terms "blatas"5, nepotism, favoritism, protectionism. These phenomena during Soviet era was perceived as a person or horizontal communication using informal exchanges on the basis of trust and already established relationship, as well as friends, relatives to various state-owned goods. „Blato“ has a positive connotation: "help friends", "support", "arranging", so this is not necessarily a mutual relationship, but always - use

---

5 “Blatas” russian sociologist (A. Ledencova. 1998) defined as informal contacts and networks to acquire goods and services or the influence to do.
Sustainable development of entrepreneurial activities requires respective favorable multi-faceted environment (Laužikas et al. 2015; Tvaronavičienė 2015). One of the main factors are the legal and economic. Opaque, illegal lobbying implies flawed legal production and legislative process. Mentioned, that such situation is favorable to emerge manifestations of corruption and the underground (shadow) economy. Interview informants mentioned, that the target of interest groups activity in science and higher education sphere are the allocation of budget funds (EU and national), distributing state orders and credits, access to license activity, state purchasing, expert status with administrative decisions. All these activities are interacting with business and privet interest.

According to obtained results, it’s possible to identify such consequences directions of non-transparent, non-integrity lobbying activity: firstly, monopoly and unfair competitive threats. Competitive activity can result threats to economic security, which is an important component of the country's security (Stankevicius et al. 2015). Security of society is one of preconditions and driving factors of sustainable development (Lankauskienė, Tvaronavičienė 2012); secondly, dominance of narrow interest groups in legislative process presupposes manifestations of corruption. Corruption significantly influences stability and security of many countries, undermines democratic and moral principles as well as hampers the economic and political development of the countries (Teivāns-Treinovskis, J. et al 2016). At present, unfair and opaque lobbying practices constitute one of the key corruption risks facing Europe, and six out of 10 European citizens consider their government to be seriously influenced or entirely co-opted by a few vested interests (Transparency International 2015); thirdly, this results defective institutional framework (excessive bureaucracy, abuse of public office). Imperfect system of institutional framework has strong bearing on competitiveness and growth. It influences investment decisions and the organization of production and plays a key role in the ways in which societies distribute the benefits and bear the costs of development strategies and policies. For example, owners of land, corporate shares, or intellectual property are unwilling to invest in the improvement and upkeep of their property if their rights as owners are not protected. (World economic forum. The Global Competitiveness. Report 2014–2015; 2016-2017); fourthly, imperfect legal system. The role of institutions goes beyond the legal framework. Government attitudes toward markets and freedoms and the efficiency of its operations are also very important: overregulation, corruption, dishonesty in dealing with public contracts, lack of transparency and trustworthiness, inability to provide appropriate services for the business sector and political dependence of the judicial system imposes significant economic costs to businesses and slow the process of economic (World economic forum. The Global Competitiveness Report 2014–2015; 2016-2017).

Conclusions

1. Answering the first question raised at the very beginning of this paper about, we claim, that science sector is active of lobbying activity, which is more latent nature, exerting in indirect forms. Informants do not deny thesis that manifestations of lobbying in science exist.
2. Answering the second question, we argue, that lobbying activity has direct influence sustainable development. It’s very important to strength social- legal control of legislative process, including public scrutiny, easy access to legal acts projects, clear system disclosure of privet interests, turnover, beneficiaries, clients, and other actors. Also
mentioned, that non-transparent, non-integrity lobbying negative affecting sustainable development, presuppose corruption and shadow economy.

3. It’s possible to conclude, that Lithuanian law on lobbying activities are not working, containing a range of legal gaps and contradictions within it, such as: not clear definition of lobbying; not clear the content of lobbying activity (methods), not clear definition of subject, not clear procedure of ethical behavior. Authors argue, that mentioned provisions should be robust, comprehensive and sufficiently explicit to avoid misinterpretation and to prevent loopholes

4. It’s necessary to promote open and ethical lobbying standards and to develop public awareness and understanding about phenomenon of lobbying, forming a positive approach to lobbying.

5. Lobbying phenomenon must be regulated in innovative manner, according to social changes: transition to new systems that are being built on the infrastructure of the digital revolution. It is necessary to pay attention to a new possible nature of lobbying - cyber lobbying.

References


[accessed 2016-10-25]


Andrius STANKEVIČIUS, Mykolas Romeris University, Faculty of Public security, Department of Law, lector. Research interests: public security, interest groups, lobbying. ORCID ID: orcid.org/0000-0002-2528-0497

Asta LUKŠAITĖ, JSC “Mitris group”, consultant. Research interests: interest groups, lobbying, sustainable developing. ORCID ID: orcid.org/0000-0001-9883-4705

Copyright © 2016 by author(s) and Vsl Entrepreneurship and Sustainability Center
This work is licensed under the Creative Commons Attribution International License (CC BY). http://creativecommons.org/licenses/by/4.0/