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Subnational Lobbying on National Policymaking: Evidence From Germany

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ABSTRACT

While research on subnational lobbying has advanced considerably in recent years, much less is known about the role of lower levels in the context of multilevel lobbying. In a multilevel system, interest groups can pursue different routes for influence-seeking. These include a *domestic subnational route* to seek amendments on a bill by lobbying regional governments, and a *subnational-Brussels route*, based on regions' influence on EU policymaking. Investigating the case of Germany, we analyze observational and survey data on interest groups and their route choices in the context of 23 legislative proposals that were drafted in the year 2019. Our findings highlight the importance of subnational lobbying for national policymaking. It is neither an exclusive strategy of outsiders on the national level, nor one pursued exclusively by local and regional actors. Furthermore, subnational lobbying is more likely when interest groups and subnational governments share common goals.

1 | Introduction

On July 1, 2021, the "Law amending the Real Estate Transfer Tax Act" (*Gesetz zur Änderung des Grunderwerbsteuergesetzes*) initiated by the German federal government came into force—but only after the German *Bundesrat* (the second chamber representing the *Länder* in the German bicameral system) exercised its right to amend the bill. Influential lobbyists had convinced the Bundesrat to make its approval contingent on the inclusion of a so-called "stock exchange clause" providing tax exemptions for certain real estate shares. Since the federal government was dependent on the approval of the federal states via the Bundesrat, it finally included the clause in the law (Cech 2022). This example of successful lobbying illustrates how interest groups benefit from engaging in multiple policy venues[1] and levels of government. Since in the case of this legislation neither the agenda setter (the federal government) nor the main legislator (the German parliament) was open to their demands, lobbyists turned to a veto player further down the legislative process.

In federal and decentralized political systems, relevant venues for political advocacy are not only distributed horizontally (reflecting the separation of powers) but also vertically. This means that lobbyists that are unable to make headway at the national level may channel their efforts via subnational venues (Holyoke et al. 2012; Newark and Nownes 2024). While this assumes a degree of regionalization, in the member states of the European Union (EU) interest groups can target additional venues (Constantelos 2007; Labanino and Dobbins 2023; López and Tatham 2018). Moreover, in the EU's multilevel system, the levels are intertwined in such a way that each level can influence the politics of another.

However, the subnational level of policymaking is frequently overlooked in the literature on interest group politics

(Anzia 2018), in particular in the EU. To be sure, regional interest representation in the EU is the subject of a rich and thriving body of literature (e.g., Beyers et al. 2015; Huwyler et al. 2018; Tatham 2014, 2015). However, this literature does not, for the most part, focus on non-state actors such as interest groups and corporations.[2] The few studies that do suggest reasons to explore the cross-level dimension of interest group lobbying. Thus, Constantelos (2007) shows that interest groups lobby across levels of government in multilevel Europe. López and Tatham (2018) find that subnational interest groups adapt organizationally and strategically to the European environment. Investigating regional lobbying by Central and Eastern European interest groups, Labanino and Dobbins (2023, 72) find that "exclusive governmental policymaking" motivates organized interests to engage in multilevel lobbying. Jointly, these studies point to the need for a thorough investigation of the factors that make interest groups choose and combine different policy venues in pursuit of their political goals. Addressing this research gap, we analyze how and under what circumstances interest organizations engage on the subnational level to influence national legislation, sometimes even taking a detour via the European institutions. Conceptually, we distinguish a domestic subnational route and a subnational-Brussels route that organizations can take to influence policies in the EU multilevel system.

Focusing on the case of Germany, our investigation of lobbying on 23 federal laws yields three main findings that contribute to the literature on subnational lobbying and venue shopping. Firstly, we find that subnational lobbying on national policymaking is not induced by a lack of contact to, or responsiveness by, the national government. This implies that, in the context of national-level policies, subnational lobbying is mainly complementary rather than compensatory to national-level lobbying. Secondly, subnational lobbying on national policymaking is dependent on allied regional governments. Interest organizations and subnational authorities form alliances to pursue common interests. And thirdly, the level on which an interest group is constituted affects its route choice: local and regional actors prefer to lobby subnational governments and the second chamber.

The article is structured as follows: In the next section, we introduce our theoretical framework and develop hypotheses on the contextual factors that motivate interest organizations to lobby on the lower levels of the political system. We then describe our research design, case selection, sampling method, and measurement and coding of variables. Subsequently, we present our empirical analysis and, finally, discuss the main findings in the light of the literature on subnational lobbying, multilevel systems, and venue choice.

2 | Subnational Lobbying on National Policies

Interest group studies widely assume that lobbyists engage in "venue shopping", that is, they decide in the context of a given policy proposal on which institutions (and in what order) they expend their limited lobbying resources (Baumgartner and Jones 2009; Constantelos 2010). In the context of multilevel systems, one particularly fruitful analytical angle has been proposed by Greenwood (2017, 26–35), who distinguishes two routes to EU policymaking. While a *national route* refers to the resources interest groups mobilize domestically to influence what happens at the supranational level, a *Brussels route* involves lobbying directly in the supranational venues—targeting above all the Commission and the European Parliament, and to a lesser extent the Council. We argue that analyses of interest representation in any multilevel system can benefit from extending this logic to other levels and venues. In multilevel systems, multiple routes of advocacy may be available even if the concern is with legislation over which national policymakers have the main jurisdiction. In federal systems, we expect that interest groups can use regional levels of government to influence federal legislation that, by constitutional provision or the nature of the policy area, would fall into the responsibility of national legislators. Thus, under certain circumstances, interest groups seeking to influence national public policy channel their efforts via a *subnational route*. In the multilevel system of the EU, two main variants can be distinguished. A first subnational route to national policymaking—the *domestic subnational route*—encompasses venues on the lower level that are involved in national policymaking, which is particularly the case if a second chamber of the legislature represents the territorial units of the federal state. In systems of strong bicameralism, such as Australia, Germany, Switzerland, and the United States, the upper house has de facto veto power over (at least some) national legislation (Mueller et al. 2023). This provides pivotal subnational governments with considerable negotiation power (Lehmbruch 2000). Thus, as in the introductory example of the "stock exchange clause", interest groups that seek to shape a federal government bill can pursue amendments by lobbying subnational governments.

Links between the EU institutions and regional authorities enable interest groups to pursue a second route to national policymaking—the *subnational-Brussels route*. This route encompasses one or more of the access points for regional involvement in EU policy-shaping processes. The formal representation of regions and municipalities at the EU level is the Committee of the Regions (CoR). Introduced by the 1992 Maastricht Treaty, the CoR is composed of locally and regionally elected representatives that provide subnational authorities with a voice within the EU institutions (Keating et al. 2015). Although the CoR has been able to continuously expand its rights in EU policymaking and to gain greater political weight since its establishment (Sturm 2013), it has failed to progress beyond an advisory status (Greenwood 2017, 173).

In addition to the representation of their interests by the CoR, since the mid-1980s more than 300 regions and municipalities have set up offices in Brussels. These regional representations have carved out a niche position within Europe's multilevel political system as consultative bodies. Despite their informal nature, these representations, according to the Brussels Commissioner for Europe and International Organizations, are recognized by the EU institutions in an acknowledgment of the growing role played by EU regions (see also Beyers et al. 2015; Huwyler et al. 2018; Tatham 2017).[3] Beside seeking out funding opportunities, these offices' main task is to influence policy. Hence, they can act as a platform facilitating exchange between

regional lobbyists and the EU institutions (Tatham 2017; see also Greenwood 2017, 175). In particular the long-established ones among the regional representations have the know-how and the Brussels-based social capital necessary to engage in influencing EU policymaking as well as acquiring legislative information at an early stage (Tatham 2017).

We assume that interest organizations have limited resources and therefore make strategic choices concerning their lobbying targets (Baumgartner and Jones 2009; Holyoke et al. 2012; Pralle 2003). In general, we expect them to address the policymaker with the greatest institutional power over a given proposal. In the case of national policymaking in parliamentary and semi-presidential democracies, the national government usually is in charge of legislation, including legislation implementing the directives of the EU. However, route choice is also about why one venue is selected instead of, or in addition to, others (cf. Holyoke et al. 2012). In the remainder of this section, we formulate hypotheses about the reasons that motivate interest groups to engage in subnational lobbying.

We argue that the use of compensatory strategies depends on the positioning of an interest group within its political environment. As Beyers and Kerremans (2012, 268–269) have shown, multilevel venue shopping is "a way to compensate for a lack of domestic access and attention". Interest groups that are weakly connected domestically and/or do not belong to the domestic political mainstream actively seek political attention at the supranational level (Beyers and Kerremans 2012). Thus, one factor influencing route choice is the extent to which a group enjoys sufficient contact with the national government. Access is a critical prerequisite for inside lobbying (Holyoke 2003). However, even groups that do have access to policymakers may perceive their contact as insufficient for achieving their goals. Hence, if an interest group has insufficient contact to the most powerful institution, it may move to a venue at a different level of government. This reasoning informs our first hypothesis.

Hypothesis 1a. *Interest groups are more likely to pursue a subnational route to national policymaking, the less they perceive their contact to the national government to be sufficient.*

We further assume that interest groups whose demands are not taken into account by national-level policymakers are more inclined to expand their political strategies to the subnational level. Venue choice is primarily driven by preference alignment (Holyoke et al. 2012) and the need to find a decision setting that offers the best prospects for reaching one's policy goals (Pralle 2003). Indeed, interest group studies have shown repeatedly that lobbyists target like-minded decision-makers (Hall and Deardorff 2006; Hojnacki and Kimball 1998). Thus, even if an interest group has contact to national-level legislators, it may move to the subnational level if it has the impression that it is unable to convey its point of view to the national government or even encounters opposition from it.

Hypothesis 1b. *Interest groups are more likely to pursue a subnational route to national policymaking, the less they perceive their concerns to be taken seriously by the national government.*

The two mechanisms outlined so far may be mutually reinforcing. A lobbyist perceiving her access at the national level as insufficient and who, in addition, finds that her concerns are not taken seriously here may see even more reason to choose a subnational route. Therefore, we expect that the two perceptions of inadequate representation reinforce each other's effect.

Hypothesis 1c. *Interest groups are more likely to pursue a subnational route to national policymaking, the less they perceive their contact to the national government to be sufficient and the less they perceive their concerns to be taken seriously by the national government.*

Organized interests can be expected to shop around for alternative venues not only when dominant policymakers oppose their position, but also when countervailing interest groups are strong (Holyoke 2003; McKay 2011). Where this is the case, organizations may receive significantly less attention by policymakers than organizations with conflicting policy positions (De Bruycker and Beyers 2015). In other words, they face a mobilization bias at their expense. In such situations, we expect disadvantaged groups to seek out alternative options situated at the subnational level.

Hypothesis 2. *Interest groups are more likely to pursue a subnational route if they perceive a mobilization bias against their preferences.*

The logic of multilevel route choice further implies that organized interests pursue subnational routes if the subnational policymaker shares their interests. Many instances of lobbying can be considered a legislative subsidy provided to allied policymakers (Hall and Deardorff 2006). In these instances, lobbyists target policymakers with similar preferences (Hojnacki and Kimball 1998; Holyoke et al. 2012). Indeed, as Constantelos (2018) has shown, interest groups are more likely to lobby friendly state governments than unfriendly ones. Furthermore, they use issue jurisdictions to steer advocacy into ideologically friendlier venues (Baumgartner and Jones 2009). Therefore, we expect that:

Hypothesis 3. *Interest groups are more likely to pursue a subnational route if their subnational government shares their position on a proposal.*

While Hypotheses 1 to 3 concern the political context of policymaking, the logic of route choice under resource constraints also has implications concerning characteristic of the interest group. As Constantelos (2007) has shown, interest groups organized at the subnational level are not restricted to remaining on their turf but sometimes aim to influence national legislation as well. While Europeanization and multilevel governance drive interest groups to attempt to influence policymaking indirectly at different levels (Huthöfer 2010; see also Lopéz and Tatham 2018), an interest group's political influence may depend on its geographic scope. A group whose members are concentrated in a narrow area has an advantage in influencing the respective decisionmaker, as the ability to mobilize members locally means this geographically concentrated resource can be translated into political influence (Gray and Lowery 1996; Holyoke et al. 2012).

Hypothesis 4. *Local and regional interest groups are more likely than federal interest groups to pursue a subnational route.*

3 | Research Design and Data

3.1 | Case Selection

As a long-time EU member state *and* a fully developed federal system, Germany is a suitable case for testing the expectations about route choice outlined in the previous section. The German federal state is characterized by a functional distribution of tasks, where legislative responsibility largely lies with the federal level (except for a small number of policy domains in which the Länder have exclusive competences). Implementation is the task of the Länder who, in turn, have an extensive say in federal legislation. This requires a significant degree of coordination between the levels of government (Zimmer 2010).

At the German national level, most legislative drafts originate within ministries, where senior civil servants draft them. Hence, when it comes to national legislation, lobbyists in Germany most frequently target the federal level, and here the executive (Marshall and Bernhagen 2017). The participation of the Länder in national policymaking is institutionalized via the second chamber (Bundesrat). The Bundesrat itself initiates about 10% of federal legislation (Bundesrat 2018) and has a veto right over legislation that affects the finances of the Länder, or their organizational or administrative sovereignty (*Zustimmungsgesetze*). Between 2006 and 2017, this was the case in about 38% of all legislative proposals (Bundesrat 2018). Before a Zustimmungsgesetz is put to a vote in the Bundesrat, we typically observe close collaboration between the federal government and the Länder governments. In such situations, single states sometimes can effectively veto a proposal (Lehmbruch 2000). Under such conditions, the federal government must organize majorities by looking for compromises or by giving specific incentives to pivotal states (Brunner and Debus 2008).

Accordingly, the federal and the Länder governments have institutionalized horizontal and vertical coordination. While conferences of the Prime Ministers of the Länder discuss political guidelines, departmental coordination is bundled in standing conferences of Länder ministers (*Fachministerkonferenzen der deutschen Länder*) (Zimmer 2010). A special case is the Joint Science Conference (*Gemeinsame Wissenschaftskonferenz*), which deals with all matters of research and science that jointly affect the federal government and the Länder. In addition, all Länder have representatives at the federal level to observe and participate in political decision-making processes in the interests of their Land. To do this, they attend meetings of the Bundesrat and the German parliament, the *Bundestag*, and maintain contacts with federal ministries, but also with lobby organizations (Schrenk 2010).

The Länder also avail of multiple channels to represent their interests to the EU institutions, not least to compensate for the fact that in the process of European integration, some of their competencies were transferred to the EU. Most importantly, the Länder occupy 21 of the 24 seats that Germany holds in the Committee of the Regions.[4] Furthermore, they can influence EU politics through direct representation in Brussels. The Länder recognized early on that the European Commission relies on information from the subnational level to prepare legislation, and that this opens up opportunities for influence. For this purpose, every Land has its own regional office in Brussels. These representations of the Länder at the EU not only lobby for regional affairs at the EU but also convey information to the Länder and the local economy about EU projects (Sturm 2013). Furthermore, the Länder jointly have founded the Observer of the Länder at the EU (*Beobachter der Länder bei der Europäischen Union*), who has the task of supporting them and the Bundesrat in EU matters. The Observer takes part in meetings of the EU Council and the Commission and works closely with the Permanent Representation of the Federal Republic of Germany to the European Union (Grasl 2016).

3.2 | Sampling of Proposals and Interest Groups

To analyze the route choices of interest groups in the German multilevel system, we selected 25 federal laws from a quota sample of 60 policy proposals that were drafted in the year 2019.[5] Studying these legislative proposals enables us to investigate interest group behavior across varying policy initiatives. We include not only interest associations and corporations (Marshall and Bernhagen 2017), but also institutions, including think tanks and foundations, as well as federal agencies. These actors are not interest groups in a narrow sense but nonetheless occasionally lobby policymakers (cf. Baumgartner et al. 2009).

We use data from parliamentary committee hearings and the media to identify interest groups that were active on the proposals in our sample. Firstly, we sampled all groups that submitted a position paper to the federal ministries in cases where the latter invited statements when preparing the draft bills (according to § 47 (3) of the Joint Rules of Procedure of the Federal Ministries). Beginning with the 19th legislative period in 2017, the federal ministries publish that information for each bill on which they organize consultations (see Rasch et al. 2020). On the 22 bills in our sample on which ministries invited position papers, we identified 577 actors. Secondly, we sampled all organized interests that were invited by the Bundestag's committees to public hearings on a bill as published on the parliament's webpage. The parliamentary committees held hearings on 19 of the 25 bills in our sample, inviting 251 actors in total.

Thirdly, to capture further interest groups that were active on the sampled bills, we analyzed media coverage in seven German newspapers for a time span of 2 years before and after the introduction of the bill in the Bundestag. With the left-leaning *die tageszeitung* (*taz*), the conservative *Die Welt* and the tabloid *BILD*, we chose three nationwide newspapers covering a broad range of the print media spectrum. Given our special focus on the subnational level, we also included six regional newspapers from three different Länder[6]: *Kölner Stadt-Anzeiger and Rheinische Post* published in North Rhine-Westphalia, *Sächsische Zeitung* and *Dresdner Morgenpost* from Saxony, as well as *Stuttgarter Zeitung* and *Südwest Presse* from Baden-Württemberg. To identify relevant articles, we derived keywords from the title of the

proposed law (see Pakull 2018, 79–80). In sum, we identified 1.376 organizations as active (some on various proposals), to whom we sent a short online questionnaire in June 2023, succeeded in some cases by up to two reminders over the following weeks. 341 of them responded to our survey, resulting in a response rate of 25%.[7] There were no responses for two of our 25 proposals, so that our final sample includes 23 proposals. At $N = 341$, the number of observations is larger than the number of organizations, as some interest groups were active on several proposals. One organization was active on 12 proposals, two on five, one on four, 18 on three, and 46 on two. The remaining 251 organizations participated only on a single proposal in our sample. Hence, the unit of analysis is the organization-proposal; the data have a hierarchical structure such that interest group decisions on route choice are nested within policy proposals.

3.3 | Variables

The survey provides us with most of the data we need to operationalize our variables. Specifically, we asked the interest groups which venues they contacted regarding the specific policy proposal they were surveyed on. Based on the answers, we coded two versions of the dependent variable *route choice*. As described above, we distinguish two routes that lead from the subnational level to national policymaking, one via federal and one via supranational venues. In the context of a given legislative proposal, an interest group is coded as pursuing the domestic subnational route if it approached at least one of the following venues: the Bundesrat, the Länder governments, the standing conferences of Länder ministers (*Fachministerkonferenzen der deutschen Länder*), the Joint Science Conference (*Gemeinsame Wissenschaftskonferenz*), and/or the representations of the Länder in the Federal Republic (*Vertretungen der Länder beim Bund*). Analogously, the subnational-Brussels route can be taken via the Committee of the Regions, the representations of the Länder at the EU or the Observer of the Länder at the EU.

Table 1 shows the two subnational routes and the frequency with which the respective venues on these routes were addressed by interest groups. A little over one third of the interest groups in our analysis have attempted to influence federal legislation via the domestic subnational route. A good three quarters (92) of these 120 interest groups lobbied through the Länder governments, but only around one third (37) chose to lobby the second chamber directly. However, only 28 groups took the subnational-Brussels route. When they did so this was most often via the representations of the Länder at the EU.

In order to test our theoretical expectations, we regress route choice on the following explanatory variables. To test Hypothesis 1a, we gathered information on interest groups' perceived *sufficiency of contact* by asking the interest groups to indicate on a scale of 0 (do not agree) to 10 (fully agree) to what extent they agreed with the statement, "We had sufficient contact with the federal ministries relevant for the legislation." For Hypothesis 1b respondents were asked to what extent on an 11-point-scale they agreed with the statement "The federal government took our concerns about the draft law seriously." Furthermore, we form an interaction term by combining the first two independent variables to test the expectation expressed in Hypothesis 1c that those interest groups who perceive a lack of contact *and* feel their concerns are not taken seriously are particularly drawn to subnational routes. Similar, we measure the extent to which an interest group perceived a *mobilization bias* (Hypothesis 2) by asking respondents to position themselves on an 11-point-scale of agreement to the statement, "[t]here has been opposition from other stakeholders to our position." To test Hypothesis 3, we asked which subnational governments shared the position of the interest group. The variable *subnational government support* is coded 1 if the respondent named the government of the Land in which the interest group is headquartered. Lastly, we created a dichotomous variable that indicates whether an interest group is a *subnational organization* or not (Hypothesis 4).

We control for several variables that might affect our estimates. Firstly, we measure the interest groups' position toward the proposal, as a lobbyist seeing her interest negatively affected likely will try to influence legislation through several venues at once. To operationalize this variable, we asked the interest

TABLE 1 | Route choices of interest groups.

	Interest groups (total $N = 341$)	
Route (and its venues)	***N***	**%**
Domestic subnational route	**120**	**35.2**
Länder governments	92	27.0
Standing conferences of Länder ministers	46	13.5
Joint Science Conference	2	0.6
Bundesrat	37	10.9
Representations of the Länder in the Federal Republic	31	9.1
Subnational-Brussels route	**28**	**8.2**
Observer of the Länder at the EU	7	2.1
Representations of the Länder at the EU	19	5.6
Committee of the Regions	2	0.6

Note: Sums of interest groups in venues exceed the numbers of interest groups in routes because some groups approached several venues of a given route. Values in bold typeface refer to the routes. Values in light typeface refer to the venues along these routes.

groups to indicate their need for amendments on the proposed legislation, again on an 11-point-scale. A second variable controls for whether the proposal has an EU origin (e.g., a transposition of a directive or an amendment to bring national legislation in line with a regulation), as organized interests are more likely to address EU venues if the European institutions are formally involved in agenda-setting and policy formulation. Thirdly, we include a binary variable indicating whether the organization represents business interests or not, since business interest, due to their greater resources, are more likely to engage in multiple venues (Hanegraaff and Berkhout 2019).

Fourthly, we use two variables to control for whether the proposal is within a policy area in which the subnational level has jurisdiction, as this is likely to increase the subnational level's relevance for lobbying. To assess whether the proposal falls within the jurisdiction of the Länder, we use a binary variable *Zustimmungsgesetz*, coded 1 if the second chamber has veto power over federal legislation, 0 otherwise. Another binary variable indicates whether the proposal was initiated by the Bundesrat. Although the Bundesrat has the right to introduce draft laws, its proposals are rarely passed by the Bundestag. In the 19th legislative period from 2017 to 2021, only six out of 55 Bundesrat initiatives were passed.[8] However, the substance of these initiatives is often incorporated in federal government proposals, often in combination with other topics in an omnibus bill. This was also the case with the five Bundesrat initiatives in our sample. Fifthly, we control for the *perceived salience* and *media salience* of the proposal, as salience affects the level of lobbying (see Hanegraaff and Berkhout 2019). We measure the former by asking respondents to indicate on an 11-point-scale how publicly visible they thought the subject of the draft law was. *Media salience* is measured by the number of articles in which the law under discussion was mentioned in the seven German newspapers described above.

Lastly, we control for alternative routes, as some associations may pursue more than one route for a legislative proposal, for example, due to their advantages in resources (such as staff and budget) and political contacts (Binderkrantz et al. 2015). Therefore, we code a national route, which is taken if an interest group lobbied the Bundestag and/or the federal government, and a Brussels route, which consists of the European Parliament, the European Commission, the Council of the EU, or the European Economic and Social Committee. We also include the respective other subnational route as a control variable in the models in which it is not the dependent variable.

Furthermore, in a robustness test we include two variables that control for interest groups' resources on advocacy, which have proved to be more (Holyoke 2003) or less (Beyers and Kerremans 2012) important for groups' engagement in venue shopping. We record the organizations' advocacy budget and staff from their disclosures in the German lobby register.[9] The *lobby budget* is published in increments of 10.000 Euros; staff size is the *number of lobbyists*, defined as employees who directly represent interests by contacting politicians. Due to missing data for interest groups that are exempt from mandatory registration, the number of observations drops to 177 when these resource variables are included. The Supporting Information S1: Table A1 shows summary statistics of all variables.

4 | Analysis and Results

Given the hierarchical structure of the data, we estimate a generalized linear model with clustered standard errors correcting for small sample bias (MacKinnon and White 1985). To make statistical inferences, we compute log odds with confidence intervals and p-values (with a cut-off criterion of $p < 0.05$, two tailed). Figure 1 shows estimates of separate models for each route. The dots in the centers of the CIs are darker, the stronger the effects are. Full numerical results are reported in the Supporting Information S1: Table A2.

Only Hypothesis 3 is fully supported by our analysis. There are significant positive effects of the subnational government's support for the interest group position on the pursuit of both

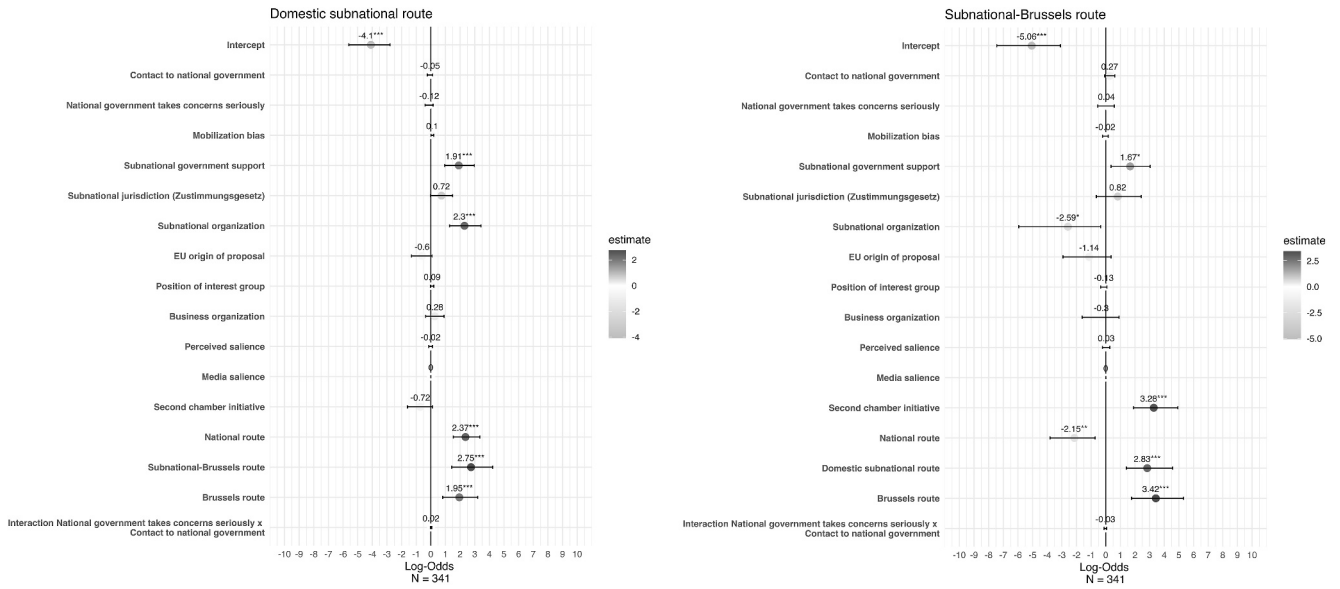

FIGURE 1 | Determinants of route choice.

subnational routes. Furthermore, the results support Hypothesis 4 for the domestic subnational route, but not for the subnational-Brussels route. Local and regional interest groups are more likely to lobby domestic subnational institutions to shape policy at the national level, but they are not more likely to lobby EU-level subnational venues.

The estimates lend no support to Hypotheses 1a, 1b, 1c, and 2. Interest groups are not more likely to pursue a subnational route the less they perceive their contact to the national ministries to be sufficient (Hypothesis 1a) or the less they perceive the national policymaker to take their concerns seriously (Hypothesis 1b). The interaction term of these two variables is not significant either, suggesting that neither perception influences route choice, regardless of the value of the other (Hypothesis 1c). The coefficient estimates for perceived sufficiency of contact and of the lobbyist's concerns being taken seriously remain statistically significant when the interaction term used for testing Hypothesis 1c is omitted. Contrary to Hypothesis 2, perception of a mobilization bias against their preferences does not increase an interest group's likelihood to pursue a subnational route (H2). These findings suggest that interest organizations' pursuit of the subnational routes does not seem to be a detour that is taken when the national route to policymaking is unavailable.

We note further that most routes are positively related with each other. The use of the domestic subnational route is correlated with the use of all other three routes (national, Brussels, and subnational-Brussels), and the subnational-Brussels route is positively related with the Brussels route as well as with the domestic subnational route. This implies that, when interest groups mobilize, they tend to use most or all available routes. It is only the use of the national route which is negatively related to the subnational-Brussels route (but not to the domestic subnational route, with which it displays a positive association). This points to a national-versus-subnational tradeoff. Interest groups that go to Brussels go there directly and via their subnational government. But when they take both the national and the Brussels route, they skip the subnational-Brussels route.[10]

4.1 | Robustness Tests

To ensure the reliability of our findings, we conduct several robustness tests. Firstly, while we included alternative routes as predictors in order to avoid omitted variable bias, their inclusion might lead to partial endogeneity, as the choice of a route on the right-hand side of the equation might be affected by the choice against a subnational route that the model seeks to predict. In order to safeguard against incorrect model specification, we conduct a robustness test without routes as control variables (Supporting Information S1: Table A2). Here, the interaction term that tests H1c turns positive; the other results are confirmed (with small changes in effect size and significance level). A second robustness test uses a combined subnational route as dependent variable (coded 1 if a group pursues a subnational route via Berlin and/or via Brussels). Our finding concerning Hypothesis 3 is supported: subnational government support remains a significant factor in choosing either or both subnational routes (Supporting Information S1: Table A2).

Further robustness tests are necessary because our data contains very heterogeneous actors, covering the entire range of interest groups (see endnote 6). However, these actors have different resources and access channels at their disposal, which could potentially distort the results. Hence, in a third robustness test (Supporting Information S1: Table A3), we test whether our results hold if we exclude institutions and federal agencies. This reduces the number of observations from 341 to 310. Nonetheless, our findings are confirmed. In addition, we control for the organizations' lobby budget and staff. Unfortunately, due to missing data for interest groups that are exempt from mandatory registration, such as the social partners and religious groups, as well as groups below the threshold for a registration requirement of 50 lobby contacts per annum, this reduces the number of observations to 177. To address the implications of this loss of data we employ Firth logistic regression (Supporting Information S1: Table A4). This alleviates bias in situations like ours where the data is sparse and some combinations of the predictor variables perfectly predict the outcome. The results support our findings for Hypotheses 3 and 4, the only difference being that the (wrongly signed) coefficient estimate for subnational organization is no longer statistically significant. Last, we look at whether the results change if we remove institutions and federal agencies as well while controlling for lobby resources, which further reduces the number of observations from 177 to 175 (Supporting Information S1: Table A4). Overall, the robustness tests confirm our results.

5 | Discussion

How and under what circumstances interest groups engage on multiple levels to influence national legislation? In order to address these questions, we have adapted Greenwood's (2017) argument about different routes for influence-seeking in the EU to the context of subnational lobbying on national policymaking. We have identified a domestic subnational route via lobbying the governments of the federal states and their representations at the national levels, and a subnational-Brussels route that leads through the representations of the subnational governments and other regional actors at the EU-level. Our analysis of 341 responses to a survey of interest groups active on one of 23 German federal laws contributes three important findings to the literature on interest representation.

Firstly, choosing a subnational route to national policymaking is neither affected by a perception on the part of the interest group of insufficient contact to the national government nor by an interest group's perception that its concerns are not taken seriously by the national policymaker. Thus, subnational lobbying does not seem to be a strategy mainly for national-level outsiders. Furthermore, the usage of most routes is positively related, which implies that interest groups view national, subnational and supranational venues as complements rather than substitutes. This accords with previous findings that multilevel venue shopping is not induced by national-level exclusion (Beyers and Kerremans 2012; Labanino and Dobbins 2023). However, the subnational-Brussels route serves as a supplement to the national and the Brussels route, which indicates that groups use it as part of a national or European strategy, but skip

it when they lobby national and EU institutions directly. More generally, our results support previous findings suggesting that lobby activity is cumulative—groups that lobby in one venue (or route) are also more likely to be active in others (Binderkrantz et al. 2015). Hence, although it may be too harsh to state that interest group research is "looking for influence in all the wrong places", as Anzia (2018) found for the U.S., studying subnational lobbying can indeed revive research on interest groups.

Secondly, interest group-government alliances are important for understanding route choice. Subnational lobbying on both routes is positively associated with a positional proximity to the respective Länder governments, which suggests that groups team up with regional governments if they share a common interest in amending national legislation. These subnational alliances lobby both domestically and supranationally. This result is in line with previous findings that organized interests and corporations are more likely to engage friendly subnational governments than unfriendly ones (Constantelos 2018) and that in multilevel governance the distinction between interest organizations and regional governments is less important (Van Hecke et al. 2016).

Thirdly, while our main theoretical interest has been to account for interest groups' choices for or against any subnational route to national policymaking, our distinction between a domestic subnational route and a subnational-Brussels route enables us to uncover interesting differences between interest group choices on these two routes. First of all, the domestic subnational route is much more popular in our data than the subnational-Brussels route: more than four times as many interest group-proposals are pursued on using the former than the latter route. Next, local and regional actors are more likely to use the subnational route directly to Berlin. However, this characteristic does not help us to account for the choice of the subnational-Brussels route. In sum, domestic subnational lobbying is mainly a venture of subnational organizations that can use their local and regional connections for this purpose, while subnational lobbying via Brussels is an option that groups organized at the federal level use equally often.

To what extent can our findings be generalized beyond the German case? Both subnational routes to national policymaking are likely to be more efficient in federal and/or decentralized political systems in which subnational units have considerable authority over national policymaking. Pronounced federalism ensures the representation of subnational entities at the federal level via intra-state channels, above all a powerful second chamber with a right to veto legislation. Furthermore, legislatively more powerful regions have been shown to use extra-state channels at a higher rate than others do (Huwyler et al. 2018, 773). Our study has revealed that regional offices in particular are a frequently used channel for lobbying on national policies. This corresponds with Tatham's finding that "higher levels of domestic self-government within the national context tend to push influence and legislative activities to the top of offices' agendas" (Tatham 2017, 1104–1105). Jointly, these findings suggest that our results may be generalized to other federal or decentralized EU member states (following Tatham 2011 this would be Austria, Belgium, Spain, and Italy) and to autonomous regions, such as Åland (Finland), Madeira and the Azores (both Portugal). The possibility of extending the logic of route choice to unitary member states of the EU would be the subject of further research.

Since our analysis has focused on direct lobbying of legislative processes, future research should also address other ways for interest groups to achieve their goals via the regional level. For example, the shift toward adversarial legalism in Europe (Kelemen 2006) means that interest groups can try to persuade the Committee of the Regions to use its right to bring an action before the European Court of Justice in order to strike down national regulations. Lastly, an analysis of multilevel lobbying could consider how interest groups use or establish a federal organizational structure to delegate tasks to their subnational member organizations or form coalitions with other (regional) associations that share their interests on an issue.

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Conflicts of Interest

The authors declare no conflicts of interest.

Data Availability Statement

The data that support the findings of this study are available in Harvard Dataverse at https://doi.org/10.7910/DVN/AHSM01.

Endnotes

[1] Following Baumgartner and Jones (2009, 31) we define a policy venue as an institution that has the authority to make decisions concerning a given issue.

[2] For ease of presentation, we use the terms interest group and organized interest interchangeably.

[3] Brussels Commissioner for Europe and International Organisations, I am an organization: Regional representations, available at https://www.commissioner.brussels/i-am-an-organisation/regional-representations/, accessed 1 February 2025.

[4] The remaining three seats are held by the peak associations of municipalities, cities and counties.

[5] The original sample was drawn by a partner project led by Rainer Eising ("Eingeladene Mobilisierung? Interessenorganisationen, Experten und Gesetzgebung im Deutschen Bundestag", funded by the Deutsche Forschungsgemeinschaft (DFG, grant number 455517215)). From this sample of 60 federal bills, we selected 20 policy proposals that involve policy decisions at two or more levels. Finally, we added five proposals initiated by the Bundesrat. The resulting sample ensures sufficient variation on levels of government, the veto power of the German Länder, and policy areas.

[6] We selected three representative large territorial states that make up more than a third of Germany's total population and allow for

variation along key structural variables: Baden-Württemberg (a West German state with a strong economy), North Rhine-Westphalia (another West German state but considerably less wealthy, with much slower economic growth and a recent history of profound structural changes) and Saxony (an East German state with a comparatively well-performing economy and a similar industrial structure to North Rhine-Westphalia).

[7] We coded the organizations according to the INTERARENA coding scheme (Binderkrantz et al. 2015). The distribution of these 341 organizations into the various categories of interests was as follows: 289 interest groups (245 operating on the federal level, 40 on the regional or local level, and four on the international level), 27 institutions, 21 private firms, and four federal agencies.

[8] Bundesrat, Die Arbeit des Bundesrates im Spiegel der Zahlen, available at: https://www.bundesrat.de/SharedDocs/downloads/DE/statistik/gesamtstatistik.pdf?__blob=publicationFile&v=8, accessed 3 September 2024.

[9] Since the lobby register in Germany was only introduced at the beginning of the year 2022, we used the earliest available entry for an interest group.

[10] We owe this insight to an anonymous reviewer.

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