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THE VISIBLE HAND OF THE STATE: ON THE ORGANIZATIONAL DEVELOPMENT OF INTEREST GROUPS

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To understand dynamics within communities of organized interests, researchers have primarily studied organizational births and deaths. The organizational *development* of established interest organizations has received far less attention. This article claims that the evolution of interest groups' organizational features is strongly affected by evolving resource dependencies with the state. A life-history case study of an environmental interest organization is used to substantiate this argument empirically. The findings demonstrate that resource dependence relations with state actors critically shape organizational development, but that this dependence affects an organization's mission, structure, and strategy in different ways. This conclusion highlights the vital role of government patronage in the survival and maintenance of interest organizations.

INTRODUCTION

To facilitate the representation of particular interests and mitigate the 'upper-class accent', public authorities often support organized interests that represent constituencies or causes which would otherwise remain unheard (Walker 1991; Baumgartner and Leech 1998). Policymakers may actively seek support from a visible and well-organized constituency, as such backing can be critical to policy development and coherence, especially in emerging or less salient policy domains (May *et al.* 2005; Jordan and Halpin 2006; Poppelaars 2007; Halpin *et al.* 2011). By supporting particular interest organizations, governments seek to increase their legitimacy and to build a more vibrant civil society (Mahoney and Beckstrand 2011). The fact that contemporary policymakers are keen to develop close ties with organized interests fits into a general shift towards network governance, which is marked by a greater involvement of non-governmental organizations in public policy (Salamon 2002; Lewis 2011).

Much research in this area has focused on non-profit organizations (Froelich 1999; Stone *et al.* 2001; Nikolic and Koontz 2008; Suarez 2011; Mosley 2012; Verschuere and De Corte 2012). It demonstrates how relations with public authorities enable professionalization by offering a more stable funding source, yet also increase bureaucratization and possibly reduce an organization's autonomy and responsiveness to societal needs. By exploring the organizational implications of these evolving ties on the development of organized interests, this article aims to increase our understanding of why 'some organizations adapt readily to every environmental challenge, whereas others succumb to the first traumatic event they face' (Aldrich and Ruef 2006, p. 13; see also Wilson 1974).

By supporting particular interest organizations, policymakers can considerably increase an organization's financial resources, legitimacy, and chances of survival. However, such patronage is usually conditional on specific organizational features and activities, which in turn shapes the further development of these organizations (Elbers and Arts 2011; Mahoney and Beckstrand 2011). Moreover, the interaction between public authorities and organized interests should not be depicted as static. It changes over time as a result

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of governments altering their approach towards interest organizations, for instance by involving them in policy formulation, the implementation of policy programmes or the education of their constituency (Jordan and Halpin 2003; Christiansen *et al.* 2010; Halpin *et al.* 2011).

These evolving resource dependencies between governments and organized interests, however, do not affect all organizational features equally. Peripheral features of an organization, such as its strategies, are generally considered more flexible than core characteristics like an organization's mission (Halpin and Nownes 2011), and thus are more likely to be affected by the interaction with public authorities. Eventually, the development of these core and peripheral features, which represent vital components of an organization's embeddedness, will also shape organizational behaviour and strategies (Beyers and Kerremans 2007; Eising 2007).

By conceptualizing the development of organized interests as evolving resource dependencies with public authorities, this article underlines the role of government patronage. After discussing the existing literature, resource dependence theory is introduced as a tool to conceptualize these relations between the state and organized interests. It is argued that components of an organization are affected in different ways by these evolving resource dependencies, as structural and especially strategic features are more prone to change than an organization's mission. Subsequently, a life-history case study of a central Flemish environmental peak association, the Federation for a Better Environment (*Bond Beter Leefmilieu*, BBL), empirically demonstrates the link between organizational dynamics and political-institutional developments.

These observations have important implications for our understanding of organizational survival and maintenance, as well as broader community dynamics (Toke 2010). In the long run, evolving ties with public authorities may alter the resource distribution among organized interests and their position within policy networks, changing the political context and possibly causing different policy outcomes. Still, while government patronage frequently enables the accumulation of organizational capabilities, these dependencies need to be carefully managed by organized interests, so that their development remains aligned with their initial mission.

LOOKING BEYOND NUMBERS AND POLITICAL ACTIVITIES

To understand the evolving demographics of organizations, three processes should be taken into account: foundings, disbandings, and organizational change (Aldrich and Ruef 2006). Much research on populations of interest organizations, however, has mainly focused on the first two processes, thus examining births and deaths (Lowery and Gray 1995; Nownes 2010). Population ecology, for instance, conceives of organizations as structurally inert and consequently considers foundings and disbandings as the fundamental mechanisms shaping demographics (Hannan and Freeman 1984). Scholars applying this framework have identified the great potential of members and financial resources as critical conditions for survival (Gray and Lowery 1996). The acquisition and accumulation of these critical capabilities, such as financial leverage and a highly educated staff, is also considered imperative for effective advocacy (Andrews and Caren 2010; Klüver 2012). These findings echo the liability of smallness argument, the idea that larger organizations are better equipped to deal with environmental challenges, and thus demonstrate the critical importance of organizational development (Hirschman 1970; Minkoff 1999; Aldrich 2008, p. 21).

Nevertheless, while the evolving carrying capacity of a particular field can explain growth or decline in organizational density, the development of individual interest organizations may vary substantially, as 'high-level trends do not impact uniformly in particular cases' (Halpin and Jordan 2009, p. 246). For instance, in their study of the peace, women's, and environmental movements, Soule and King (2008) found that the effects of sectoral competition varied depending on the specific nature of the organization. As a result, organizational development is believed to be 'far more complex and multivalent than the ''populate or perish'' approach', which does not reveal how interest organizations manage to survive (Halpin and Jordan 2009, pp. 264–65; Halpin and Nownes 2011).

Some authors have even argued that organizations are 'always changing', as they are continuously extrapolating past trends and responding to volatile environments, for better or worse (Miller and Friesen 1980; March 1981; Minkoff 1999). Accordingly, theoretical perspectives that take into account variation across existing organizations, within sectors as well as over time, can significantly complement our understanding of organizational development (Aldrich and Pfeffer 1976; Pfeffer and Salancik 1978; Astley and Van de Ven 1983, p. 246; Child 1997). Accounting for continuity and change, rather than juxtaposing inert and dynamic organizations, these perspectives focus on 'how often they change, to what extent, and under which conditions' (Aldrich and Ruef 2006, p. 13). By zooming in on organizational development, we can clarify *how* interest organizations accumulate resources and strengthen their position in policy networks, as well as explain *why* some of them manage to survive and become important political actors.

Whereas the research on the professionalization of organized interests frequently provides detailed descriptions of intra-organizational characteristics, it is generally less attentive to the dynamic relations between interest organizations and state actors (Putnam 1995; Jordan and Maloney 1997; Skocpol 2003; Maloney 2009). In contrast, social movement and certain interest organization scholars have frequently explored how social movements gradually become more closely connected with the state and how they evolve from a confrontation and protest style to a more consensual style (Grant 1978; Staggenborg 1988; Walgrave 1994; Clemens 1997; Minkoff 1999; Jordan and Halpin 2003). Still, relations with state actors also strongly affect the development of organized interests.

In recent years, scholars have frequently applied resource dependence theory in order to conceptualize relations between organized interests and public authorities, demonstrating, for instance, that policymakers grant access to organized interests in return for expertise and the legitimization of policy proposals (Bouwen 2002; Beyers and Kerremans 2007; Eising 2007; Poppelaars 2007; Braun 2012). However, such exchanges have implications that go beyond the gaining and granting of access. Research has demonstrated that a large proportion of organized interests is highly dependent on state support (Skocpol 2003; Mahoney and Beckstrand 2011).

By offering financial resources and legal recognition to interest organizations, public authorities enhance the latter's chances of survival and shape their development through formal and informal pressures (see also DiMaggio and Powell 1983). Considering that the development of organized interests is strongly affected by the need to maintain their organization (Salisbury 1969; Lowery 2007), the importance of (successful) lobbying to organizational survival should not be overstated. For this reason, it is not so surprising that 'groups [choose] venues not only to advance substantive policy goals, but also to serve organizational needs and identities' (Pralle 2003, p. 234), nor is it remarkable that concerns related to the security, survival, and growth of interest organizations frequently trump ideological consistency (Staggenborg 1988, p. 383; Mosley 2012).

DEVELOPING FOR SURVIVAL: RESOURCE DEPENDENCIES AND THE HIERARCHY OF CHANGE

Organizational development usually occurs in a path dependent, incremental fashion, as initial choices regarding structure and strategy often have long-lasting effects (Stinchcombe 1965; Edwards and McCarthy 2004, p. 136). Still, not all aspects of an organization's configuration are equally amenable to change. As a result, some features of organizations will be more heavily affected by changing resource dependencies with public authorities. In their seminal article, Hannan and Freeman (1984, p. 156) conceptualize organizational structures as 'composed of hierarchical layers of structural and strategic features that vary systematically in flexibility and responsiveness'. They distinguish between core and peripheral features, the latter being more prone to change as the organization grows, or when its competitive or institutional environment is altered. Whereas changes in core features are often followed by the adjustment of peripheral ones, the reverse does not hold. Research on the behaviour of non-profit organizations has confirmed this proposition: altering dependencies had a great impact on organizational decisions regarding target groups and outputs, yet it did not change missions and goals (Nikolic and Koontz 2008, p. 460; Verschuere and De Corte 2012, p. 13).

Applying these insights to organized interests, a distinction is made between an organization's *mission*, *structure*, and *strategy*. Its *mission*, which relates to representing a certain constituency or supporting a particular cause, is considered a core feature. While an organization might take a less radical stance in order to gain access to policymakers, a substantial change in its mission rarely materializes (Jordan and Halpin 2003). Research on non-profit organizations has demonstrated that, even when faced with 'distractions of resource acquisition', they tend to hold on to their mission and are 'powerfully guided by organizational history, norms, leadership and culture' (Froelich 1999, pp. 263–64).

In contrast, *strategic features*, such as an organization's network and issue portfolio, are considered peripheral characteristics and are thus more dynamic, as they relate to an organization's interaction with its environment. This strategic flexibility is confirmed by the issue-specific nature of lobbying patterns (Smith 2000; Baumgartner *et al.* 2009). In particular, resourceful interest organizations can easily form ad hoc coalitions, or switch between access points (Kriesi and Tresch 2007). Their policy portfolio, which reflects how their mission is translated into political action, can also be more easily adjusted (Browne 1990; Baumgartner and Leech 2001; Johnson 2006). Consequently, these strategic features are more likely to evolve as resource dependencies with public authorities change.

Finally, an organization's *structure*, such as its membership, staff, and financial resources, is conceived of as less flexible than its strategic features. The type of membership is generally determined in the formative years of the organization and changes only gradually afterwards. The total amount of human capital and the financial means of the organization can nonetheless vary considerably over time, as exchange relations with public authorities are loosened or intensified. Therefore, compared to the mission of an organization, these structural features are believed to be more adaptable.

In the next section, this argument is illustrated by analysing the development of one of the main Flemish environmental interest organizations, the BBL. Rather than examining patterns of foundings and disbandings within a particular policy field, the life-history of a single interest organization is examined, relating the evolution of their organizational features to changing resource dependencies with public authorities. In this regard, three

phases are distinguished, enabling a within-case longitudinal comparison of the impact of the changing dependencies on the organization's mission, structure, and strategy.

HOW STATE RELATIONS SHAPE ORGANIZATIONAL DEVELOPMENT: THE CASE OF THE FEDERATION FOR A BETTER ENVIRONMENT

Founded in 1971, the BBL today unites more than 140 environmental interest organizations. It has acquired 'a privileged role' as the main interlocutor of the Flemish government concerning environmental affairs (Bursens 1997, p. 61), participates in parliamentary committees, and is regularly consulted by individual members of parliament and environmental experts in political parties. It has also acquired a prominent presence in public fora (Verhulst and Walgrave 2005; Wouters *et al.* 2011) and membership in several European environmental associations. In general, environmental interest organizations are considered one of the most influential social movements of the late twentieth century (Rootes 2004, p. 608). In many Western European countries, including Belgium, they emerged in great numbers in the 1960s and 1970s, and gradually evolved into more professional, formal, and bureaucratized organizations (Jordan and Maloney 1997; van der Heijden 1997; Diani and Donati 1999). They also established an institutional footprint, as many contemporary public organizations and advisory bodies nowadays deal with environmental affairs.

In Belgium, the environmental movement was somewhat different from the emerging interest organizations in other fields, as it was more formalized and quite successful in shaping public opinion and influencing the government agenda (Walgrave 1994). The development of these organizations and the increasing political salience of environmental affairs coincided with the process of federalization in Belgium. As various policy responsibilities, such as environmental issues, were delegated to the subnational level, new political structures, including a regional ministerial department in charge of environmental affairs and various specialized regional agencies, needed to be established.

Taking into consideration these societal and political developments, and accounting for the importance of a visible and well-organized constituency in policy development (May *et al.* 2005; Jordan and Halpin 2006; Halpin *et al.* 2011), the BBL thus provides a rich case for scrutinizing how evolving resource dependencies between public authorities and organized interests shape the latter's development. In order to assess the impact of these resource dependencies, contextual factors and organizational characteristics should be analysed through a longitudinal lens. In this regard, leading scholars have argued that the historical case study is very appropriate for analysing the post-formation development of interest organizations (Halpin and Jordan 2009, p. 249; Halpin and Nownes 2011, p. 52).

Complementing population ecology studies that focus on clarifying dynamics at the sectoral level, this approach contributes to a better understanding of organizational survival and maintenance, and answers the call by Beyers and Kerremans (2007, p. 477) for more 'detailed, theory-driven case studies' that assess the intermediate context and critical resource dependencies of interest groups. By zooming in on an interest organization's development post-formation, this single case study demonstrates how organizations respond to environmental challenges and accumulate organizational capabilities, and in this way contributes to theory building (George and Bennett 2005).

After a description of the BBL's background, three periods in its development will be discerned on the basis of how its ties with the government evolved. For each of these stages, the impact these resource dependencies had on its mission, structure, and strategy will be

scrutinized. The evidence was collected through extensive document analysis of archival and internal documents (such as yearly reports, annual accounts, press releases, minutes of internal meetings, and memos), the consultation of secondary sources (Walgrave 1994; Hooghe 1996; Van Overstraeten 2008), and two in-depth interviews with current BBL staff in February and June 2011, which both lasted approximately 60 minutes and focused on the organization's development, structure, finances, and strategy.

Prologue: the BBL's origins

As in other industrialized countries, Belgium witnessed a substantial increase in the number of environmental interest organizations in the early 1970s (Leroy and De Geest 1985; Rootes 2004). The fragmented nature and limited political impact of their activities (Hooghe 1996) prompted the founding of a national environmental interest organization, the Bond Beter Leefmilieu/Inter-Environnement (BBL/IE) in 1971. Its *mission* involved ensuring continuity in initiatives to preserve the environment, developing policy ideas and providing logistical support and coordination services to its membership (Walgrave 1994, p. 58). While established at a time when various new social movements emerged, the BBL/IE was rather atypical, as it was policy rather than protest oriented. For the leadership, recognition by public authorities and close contact with various societal actors were as important as support from the broader environmental field (Van Overstraeten 2008). This consensus-oriented nature was also reflected in its mission statement, where it was advocated that 'economic growth should be conciliated with a better environment' (Hooghe 1996, p. 8).

Regarding its *structure*, it should be emphasized that the BBL/IE did not emerge in a bottom-up fashion or as a grass-roots social movement. On the contrary, its seven founders were part of the political and economic establishment and had close contacts with various companies and business associations, particularly in the energy and financial sectors. Its financial resources also largely depended on donations from these corporate actors, and enabled the organization to employ two paid members of staff in addition to a full-time secretary (Hooghe 1996, p. 8). In order not to lose the backing of these industrial actors, the BBL/IE's *strategy* was consensus-oriented, and its policy positions were rather moderate. Its policy portfolio consisted of three clusters (in declining degree of importance): nature preservation, spatial planning, and environmental degradation (Hooghe 1996). This rank order mirrored the background of its 38 member organizations, as nature preservation organizations were the most numerous.

In the years that followed the initial founding, the BBL/IE faced severe financial difficulties which accelerated the ongoing federalization process within the national association (Hooghe 1996, p. 9; Bursens 1997). As a result of the organization's increasingly critical position on nuclear energy, several important contributors (notably the energy industry) withdrew their support (Van Overstraeten 2008). In 1979, the national umbrella association, a fairly formalized and layered organization consisting of four decentralized regional entities, was disbanded. Next to financial woes, divergence on strategic matters (with the Flemish leadership preferring more political involvement) and communication difficulties caused by language differences, spurred this dissolution (Hooghe 1996).

Still, its timing remains remarkable, considering that at that time the national government still dealt with most environmental affairs. It was only after the state reforms of 1980 and particularly 1988 that the national government transferred its environmental competencies to the regional governments. For BBL Flanders (BBL hereafter), the impact of this devolution process remained limited, as the Flemish branch of the BBL/IE already

functioned as an autonomous entity. While the national umbrella (BBL/IE) no longer exists, the BBL's development in the following years demonstrates the relevance of its legacy and confirms the long-lasting effect of initial choices regarding structures and strategy (Truman 1951, p. 66; Stinchcombe 1965; Edwards and McCarthy 2004, p. 136).

Peripheral relations with government and the quest for survival (1976–88)

During this period, the issue of nuclear energy prompted a radicalization of the broader environmental movement. Some of the more activist member organizations regarded the BBL as too consensus oriented and urged the leadership to take a more confrontational stance. These demands, however, largely fell on deaf ears, as the leadership considered a very militant attitude to be incompatible with the BBL's *mission* as a policy-oriented and consensus-seeking peak association. It was also regarded as potentially detrimental to the organization's relations with public authorities, which had recently been strengthened. While the organization had previously enjoyed no structural ties to policymakers, in the 1980s it participated in a small number of advisory councils.

Most of the BBL's *structure* remained quite stable during this period. The organization faced great uncertainty about its future and relied on fairly limited resources, as its main source of funding comprised limited annual grants from the Flemish Ministry of Culture. Consequently, the BBL's staff – which consisted of two or three permanently employed people, complemented by volunteers and temporary workers – was primarily focused on ensuring the survival of the organization. In a strategic memo from 1984 (BBL), the leadership wondered whether '(we) are not too occupied with internal problems, in that way losing touch with our constituency?' At that time, rather than lobbying success or membership involvement, organizational survival represented the BBL's main concern (see also Salisbury 1969; Lowery 2007).

Although most structural features remained similar during this period, the BBL's membership changed considerably in this period, which affected its *strategy*. Whereas in the 1970s conservation organizations, which often administrated large nature patrimonies and employed several people, were most numerous, smaller environmental action organizations focusing on specific issues regarding environmental degradation had become the dominant faction (Walgrave 1994). As a result, topics like pollution and waste management gained a more prominent place in the organization's portfolio, and the staff developed a more assertive and proactive attitude. Furthermore, despite its limited organizational capacity, the BBL was (albeit indirectly) engaged in various protest activities during the 1980s, which would have been unthinkable ten years earlier. They supported events and campaigns of local groups, for instance, by providing logistical services, building coalitions, and presenting their concerns to policymakers. The BBL was in this way able to tackle a wide range of issues. In the years that followed, this tactic of ad hoc cooperation with regional organizations would be applied frequently.

In addition, the BBL managed to grow in other aspects, broadening its interorganizational network by establishing closer contacts with political parties and other organized interests. Regarding the former, the organization emphasized its political neutrality, as it preferred access to all political actors over privileged relations with the Green Party, which had been established in 1979. Existing relations with other societal actors were strengthened and institutionalized, resulting in the establishment of non-profit networks such as Labour and Environment (Arbeid en Milieu, consisting of the BBL and labour unions) and Komimo (a platform of eight NGOs working on sustainable mobility).

Strengthening ties with public authorities: a burdensome affair (1988–98)

With regard to fostering closer relations with public authorities, important progress was made by the BBL in the late 1980s. As a result of political considerations and growing pressure from the environmental field, several environmental interest organizations became more closely involved in policymaking. Whereas in 1983, the BBL only participated in three Flemish advisory councils, its formal representation in governmental bodies increased significantly in the years that followed (Hooghe 1996, p. 22). This trend was welcomed by the BBL's leadership, as an increase in its policy impact through the establishment of more formal concertation structures represented a core component of its *strategy*. This shift was also embraced by policymakers who sought to develop new structures and policy initiatives in the environmental domain, including the (advisory) involvement of organized interests in policy preparation, though not establishing neo-corporatist policymaking patterns (Bursens 1997, p. 62).

The devolution of power from the federal government to the Belgian regions in 1988 played an important part here, as most environmental policymaking competences were then delegated to the subnational (Flemish) level. A landmark in this regard was a specific legislative act, the so-called 1991 MiNa-Decree on 'the establishment of a Flemish Council on Environmental and Conservation Affairs and the resolution of the general rules concerning the legitimation and subsidization of environmental groups'. This represented the start of a comprehensive environmental policy at the subnational level (Ongena 2010). With the establishment of this advisory council (the MiNa-Council hereafter), which included key environmental stakeholders as well as more traditional economic interests such as labour unions and employer associations, the Flemish government aimed to increase the legitimacy of its environmental policy (Walgrave 1997; see also May *et al.* 2005; Jordan and Halpin 2006; Halpin *et al.* 2011).

Another objective of the MiNa-Decree involved better financial support of environmental interest organizations. In addition to official recognition by the Flemish government and a strong representation in the MiNa-Council (occupying six of the 24 seats), the BBL now was also entitled to structural government funding based on legally specified criteria related to the number of staff, membership figures, and activities (Vlaamse Executieve 1992).

The closer integration of the BBL into policy circles, which was demonstrated by the more frequent contact with various political parties and members of government, had a strong impact on the *structure* of the organization. The BBL was able to employ four additional people, increasing its organizational capacity. Another indirect consequence was that, for the first time in its history, the BBL actively started recruiting new members in order to improve its representativeness. From 1976 to 1981, its membership had grown from 26 to 49 environmental interest organizations. During the 1980s, these numbers had remained rather stable. However, due to a loosening of membership conditions and a recruitment campaign, the number of affiliated organizations soared in the early 1990s, as is shown in table 1. In 1996, the BBL's membership amounted to 118 environmental organizations. Although the organization has managed to further increase its membership base since then (counting 147 members nowadays), it has never again experienced such an impressive growth rate in such a short period of time (4 years). Although this development can be linked to a willingness to strengthen the organization's identity as a representative peak organization as well as a greater appeal to potential members because of its strengthened relations with policymakers, it should be noted that additional membership organizations also implied supplementary public funding.

TABLE 1 *BBL: membership and staff 1981–2008*

	1981	1989	2000	2005	2008
Membership	49	56	120	140	146
Staff (total)	5	10	13	35	41
Staff (FTE)			11.95	28.5	33.1

The BBL now enjoyed direct access to policymakers, implying an increase in its agenda-setting powers. In a strategic memo from 1990, the BBL confirmed the policy-oriented *mission* of the organization, as it continued to prioritize close cooperation with public authorities, the accumulation of expertise on environmental affairs, and the establishment of coalitions with a wide range of actors, interest organizations as well as companies (BBL 1990). This document also stresses the need to attenuate the 'oligarchic character' of the organization, caused by weak relations with membership organizations and their limited participation in organizational decision-making (due to their lack of financial and personnel resources). A closer involvement of their constituency, however, proved hard to realize. While in terms of reputation and government access the BBL's situation had surely improved, this increase in (partly mandatory) duties absorbed most attention and resources.

Maintaining relations with government actors also became increasingly important to the organization and started to occupy most of the staff's time (see also Walgrave 1997; Froelich 1999). Moreover, while the specialized and technical nature of the issues discussed in the Mina-Raad required extensive study and preparation by the BBL's staff, this kind of work was of limited relevance to their constituency (Hooghe 1996, p. 24). The greater recognition by the Flemish government as a representative peak association also implied that the organization had to fulfil a number of additional tasks, such as setting up activities across Flanders, issuing a quarterly environmental magazine, organizing at least ten educational activities annually, and assembling its governing bodies no less than ten times a year (Vlaamse Executieve 1992). Hence, while its monetary resources had increased considerably, they were insufficient to execute these various assignments. To acquire additional financial means, the BBL started to develop various projects, expanding its cooperation with a number of companies like Procter & Gamble and Douwe Egberts, as well as with institutional actors such as provincial and local governments (BBL 1996).

Consolidating the status of core policy insider: organizational expansion, professionalization, and diversification (1998–2010)

During the last decade, the BBL's development accelerated, especially between 2000 and 2004. The organization further consolidated its position as policy insider. As a result of increasing government subsidies, its *structure* changed considerably. The organization was able to strengthen its organizational autonomy by significantly increasing the number of staff (see table 1).

Regarding interaction with its membership organizations, which represents an enduring concern of the organization's staff, increased efforts were made to inform and support local groups as well as to involve them in BBL's policy-making activities (BBL 2005, 2009). Table 2 illustrates that the BBL also diversified its sources of income by successfully applying for European funding. While until 2005 the organization did not rely on EU funding, nowadays subsidies from this level represent more than 7 per cent of its total

TABLE 2 *BBL: diversity resource supply 1980–2008*

	1980	1991	2000	2005	2008
Budget	125,000	**203,125**	**1,140,300**	**2,449,815**	**2,950,000**
Private funding		33.30%	21.80%	8.59%	11.38%
Public funding		66.70%	78.20%	91.41%	88.62%
Domestic		66.70%	78.20%	91.24%	81.42%
EU		0.00%	0.00%	0.17%	7.20%

budget. By diversifying their resource supply, they managed to decrease their financial dependence on funding from the Flemish government. Whereas this channel represented more than 70 per cent of all public funding in 2005, in 2008 its proportion was reduced to about 54 per cent. Yet, at the same time, the evolution of BBL's resource supply also demonstrates the limitations of strategic preferences. For instance, already in 1990, internal documents stressed that the BBL was seeking to diversify its resource supply in order to decrease its reliance on public funding (BBL 1990). Yet, 15 years later, public subsidies (although being more diversified across different levels of government) still accounted for more than 90 per cent of its budget, an increase of about 25 per cent. This evolution demonstrates the path dependent nature of organizational development, and resonates with earlier work finding that interest organizations whose establishment was highly dependent on patrons often remain greatly reliant on this form of financial support (Walker 1991).

The organizational growth of the BBL coincided with the formation of a denser and more diverse interorganizational network, a substantial increase in its representation on domestic advisory councils, and the establishment of closer links with various EU associations (especially between 2000 and 2005). With regard to issue prioritization, another vital component of the organization's *strategy*, the evolution of its policy portfolio over the last ten years is provided in figure 1. The figure compares the diversity of the organization's press releases in 2000 (n=34) and 2010 (n=49), applying the coding scheme of the Policy Agendas Project Codebook. While the organization has maintained a generalist orientation, in line with its original mission, its policy focus has clearly evolved over time, which demonstrates the greater flexibility of strategic features. As the constituency of the organization changed during the 1970s and 1980s, issues related to environmental degradation became more prominent than topics concerning nature conservation.

Figure 1 shows that in 2000 the BBL focused mainly on environmental, (local) public land management, and transportation issues. Over the last ten years, however, its portfolio has (once again) changed considerably. While maintaining its generalist character, nowadays the organization is clearly more attentive to issues such as finance, international affairs, and (especially) sustainable development (particularly with regard to energy).

The portfolio of the BBL has thus increased and diversified considerably since its foundation (Hooghe 1996, pp. 30–33). This can be related to the development of organizational capabilities over time, and the fact that its inclusion in various advisory councils required the organization to broaden its expertise and to closely monitor the political agenda. Yet it was also an explicit choice, as the organization sought to realize its *mission* by tackling each issue that could be linked with environmental concerns, thus confirming its status as a representative peak association and consolidating its position as a key policy insider.

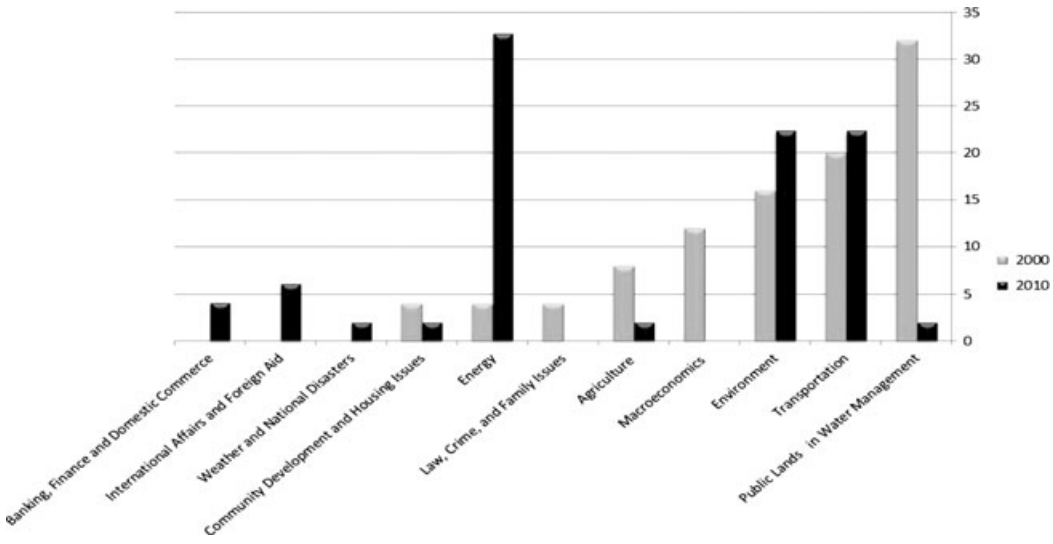

FIGURE 1 *BBL policy portfolio evolution 2000, 2010*

Synthesis: resource dependencies and the hierarchy of change

We expected the organizational development of interest organizations to be shaped by their evolving resource dependencies on public authorities. The trajectory of the BBL was not one of gradual organizational growth. Rather, for a long time, organizational survival was a key concern of its leadership. During this period, the configuration of the BBL was marked by stability rather than change. Actually, its organizational development only took off in 1990 when its relationship with the Flemish public authorities changed considerably. It was only then that significant organizational growth was realized (that is, when the number of staff and the amount of financial resources increased substantially). However, the most fundamental changes in the organization only came about ten years later. The integration of the BBL in to policy circles implied that the organization had to fulfil several additional tasks, which occupied most of the organization's budget and forced it to look for additional resources. It was only once the BBL had become acquainted with these new functions and had increased its financial leverage that its development accelerated.

We furthermore assumed that not all organizational features would be equally affected by the evolving relations with the state. As was demonstrated above, the BBL's *mission* has remained quite stable over time. Its founders aimed for a policy-focused, knowledge-oriented and state-directed interest organization which could also support the broader environmental movement. The peak function of the organization was considered a crucial component of its mission from the start. Today, the BBL still is a policy- and state-oriented environmental peak association, confirming Truman's view that 'the origins of interest groups and the circumstances surrounding their orientations towards the institutions of government [are] ... among the factors most relevant to a description of group politics' (Truman 1951, p. 66).

Considering crucial components of its *structure*, such as its membership, staff, and financial figures, important changes clearly did materialize as the BBL's ties to public authorities intensified, although these changes did not take place immediately after

the organization became a policy insider. The organization's *strategy* was conceived as most malleable, and this expectation was confirmed by the flexible nature of the BBL's policy portfolio, which was also affected by changes in its membership. Regarding its interorganizational network, more continuity was observed, with a gradual strengthening of relations with organizations that were allies of the BBL from the very beginning, such as labour unions, and also with some business associations and companies.

DISCUSSION AND CONCLUSIONS

Scholars studying the interaction between the state and organized interests usually focus on the strategic implications of this interplay. In this article, I proposed that these ties can have a substantial influence on an organization's development, although not all organizational features were hypothesized to be equally affected by evolving resource dependencies. The case study of the BBL provided an empirical examination of this argument. While the BBL's *mission* remained identical over time, elements of its *structure* and *strategy*, such as its membership, resources, and issue portfolio, changed considerably as its linkages with public authorities intensified. One limitation of the case study is that, by specifically highlighting the interaction between organized interests and public authorities, other aspects, such as the interaction between the organization's leadership, membership organizations, and the broader interest community, remain somewhat underexposed (Rothenberg 1992; Soule and King 2008; Young 2010). Still, the observations about the BBL are typical for various membership organizations facing similar conditions, that is, for encompassing interest organizations that seek an insider status and are highly dependent on government support for their survival (Clemens 1997; Minkoff 1999).

Rather than the interplay between constituency and staff, relations with public authorities were found to be critical to organizational development. Hence, similar to the evolutionary development of political parties, the evolutionary development of organized interests should not only be linked to changes in civil society, it should also be related to their dynamic interaction with public authorities. As political parties became increasingly intertwined with the state and evolved from elite parties to cartel parties, their resource base, party work, method of campaigning, and membership base altered considerably (Katz and Mair 1995, pp. 6, 20). Katz and Mair note that, especially in corporatist systems, large and established economic organizations have developed similarly strong ties with the state (p. 23). However, their observation is accurate not only for economic interest organizations, as other types of organized interests have acquired rather similar positions or aim for a similar status; nor is their observation only accurate for corporatist countries, as patronage also plays a key role in more pluralist polities (Walker 1991; Maloney 2012).

Support from policymakers can enhance the development of structural and strategic capabilities of interest organizations, enabling them to accumulate human and financial capital, as well as allowing them to broaden and intensify their interorganizational networks. In this view, government patronage allows for the development of a constituency that might otherwise not be heard. Nonetheless, although policymakers prefer to interact with societal actors that are both knowledgeable and legitimate representatives of a specific constituency, the way they steer the development of organized interests (by tying financial support to specific organizational features and activities) appears not always to

be optimally aligned with this objective. In other words, these resource dependencies also have their drawbacks.

The status of a policy insider often implies additional tasks, which might not be fully consistent with an organization's mission (Hager *et al.* 2004; Walker and McCarthy 2010; Maloney 2012). These bureaucratization pressures are particularly strong in the first years that an organization receives government funding (Staggenborg 1988; Stone *et al.* 2001), and can cause it to 'gravitate' towards the state, focusing primarily on creating a positive image among policymakers, and possibly losing touch with its members and the broader civil society (see also Mosley 2012). Therefore, interest organizations need to carefully manage these dependencies, and regularly assess whether the evolution of their structural and strategic features still effectively supports their original mission.

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