Foreign Agent Lobbying in the United States

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Introduction

The political system of the United States of America is often regarded as one of the most sophisticated ones in the world, as several layers of political representation are figured out in the democracy with a population of approximately three hundred million people. Not only its political organization, but also its status in global politics is admired the most, as the country has been in the forefront of international politics since the first half of the 20th century. Proving victorious in the Cold War has left the United States as the sole superpower in the international arena, while the state has changed its approach towards the international political system and order multiple times since the end of the bipolar world. Still, most people see the guarantee of international peace in the country’s participation in issues affecting the global stage, and its foreign policy always takes center stage when it comes to analyzing current international affairs.

However, as the saying goes, with great power comes great responsibility, which, in this case, means that as much as the U.S. is a key global factor, it has to carry out domestic politics that enable the country internally to continue being a prominent external one. As mentioned before, with a population this large it is a great challenge to solve the problem of equal political representation, especially when speaking about an ethnically, culturally, and identically so diverse nation as the United States. It could be argued whether the country’s society is a melting pot or a salad bowl, but when it comes to politics and representational democracy, it can easily be seen that the diversity leads to varying views, varying motivations, varying interests. Differing interests, the conflict of interests in a democracy that is so plural does not avoid the political system, and this is manifested the best in the legislative branch.

For ordinary people, voting on a bill that would increase corporate taxes might not bear much significance, neither might a legal sanction that would ban a product imported from a foreign country. For corporations or for an immigrant who had left that other country, however, it might mean filing for bankruptcy or the deterioration of life standards of loved ones left behind. In America, the practice of lobbying has been in the center of politics for around a century now, its broadest, most basic definition being “any attempt to influence
actions of government’’¹, and it is one of the most effective tools with which a corporation fearful of bankruptcy, or an immigrant caring for their loved ones can live. Of course, these are only simplified examples to what extent a cause for lobbying can range, but the basic concept behind lobby activities can already be drawn up: influence the government – mostly the legislation –, to create regulations favoring a certain side’s aims, views, interests.

Nevertheless, when discussing a phenomenon like the one the title of the thesis sets forth in such length and depth, a less broad and more precise definition must be included, and the relevant scholarly literature abounds in these. Milbrath argues that the term “lobbying” is not too precise enough, but it can still be delineated by stating that it relates to only governmental decision-making, it is motivated by the desire to influence these decisions, there has to be an intermediary or representative carrying out this activity, and that lobbying always involves communication². According to Fouloy’s Explanatory Lobbying Dictionary (which differentiates the meaning of the noun, the verb and the proverb), “To lobby means to try to influence or convince lawmakers or governmental bodies to take a specific legislative action”³, while lobbying is “To conduct activities aimed at persuading legislators or public officials to propose, pass, or defeat legislation or change existing laws.”⁴ Even though Fouloy’s work is a dictionary-like overview of lobbying within the European Union, these definitions are general enough to be used when dealing with lobbying in the United States. However, in fact, the author lists the definition of lobbying relating only to the U.S., where the activity of lobbying includes „any research, presentation, strategizing, supervising and communications that at the time they are being done, are specifically intended to facilitate a lobbying contact”, with several categories of activities enjoying an exemption from this determination⁵. Naturally, the term ‘foreign agent’ is to be elaborated on more in depth – in similar fashion to lobbying –, and more attention will be dealt on this aspect later on.

⁴ Ibid. p. 187
⁵ Ibid. p. 190
It is not surprising then that the practice of lobbying in the United States, where economic considerations are countless, personal interests even more so, and these combined makes for an infinite mix, is regulated as sophisticatedly as the whole political system is. If the international dimension is added, too, we get back to foreign policy: in the United States, not only diplomatic negotiations can influence how a certain interstate relationship develops, as ever since 1938 there is a law that regulates external interest being articulated into U.S. domestic policy, and that is the Foreign Agents Registration Act (FARA).

In this argumentative study I will be examining the issue of foreign agent lobbying in the United States of America, with special regard to the FARA and what ground it lays for agents of foreign governments, states, non-governmental organizations, or economic units. The topic possesses tremendous actuality and can very much be related to the field of international relations. As conventional methods of lobbying have already become expectable and predictable, I am to analyze how too the modern means of lobby activities, such as shadow or counteractive lobbying comply with the FARA and subsequent regulations, if they do at all. What is more, the 2016 US presidential election bore great significance regarding lobbying, for instance, the alleged Russian meddling into the elections, which could be considered as a special form of non-conventional lobbying, while also a possible aim to change the then-current status of the international situation. Also, this topic bears with relevance to the discipline of political science, as without the overview of how the U.S. Government administrates and enforces statutes and the FARA specifically, foreign agent lobbying could not be interpreted.

I argue that the FARA fares only partly successfully in terms of eliminating the risks stemming from foreign lobbying: it provides a system that is based on serious national security considerations and within which transparency, through public disclosure prevails; however, due to its inability to regulate the activities of certain groups of the American public life who deliberately bypass the Act’s reach, it fails successfully rule out every foreign influence aspiring to alter U.S. foreign policy. The questions and issues researched regard the degree of integration of the Act into the Government of the U.S., the levels of the US government that are most prone to lobbying, the most common lobbying tools used, the threats foreign agent lobbying poses to the national security of the United States, touch on
the estimated cost of assets spent on lobbying, with the Foreign Agents Registration Act and its success in terms of regulating foreign lobbying in the center.

As far as my sources are concerned, I aim to cover as much as there is to lobbying in the United States, based on mostly secondary sources from collections of studies, monographs, or co-edited pieces of relevant scholarly literature. Authors cited include, inter alia, Allan J. Cigler and Burdett A. Loomis, renowned researchers in the field of public policy and lobbying; Thomas Ambrosio, whose aim is on ethnic groups and their effect on U.S. foreign policy; researchers, whose focus is on cases of different ethnic influence groups, like Stephen A. Garret, Patrick J. Haney and Walt Vanderbush, and Jason A. Kirk; or Edward B. Logan and Simon N. Patten, who presented an overview and evaluation of lobbying activities a decade before the FARA even came into effect. Also, the works of former lobbyists are mentioned, such as Ernest and Elizabeth Wittenberg. Additional sources include the website and online database of the Department of Justice of the United States of America, as well as the Sunlight Foundation’s and the Center for Responsive Politics’ home page.

As for the structure of my study, it is comprised of five different parts, including the introduction and the conclusion. The first chapter focuses on the Foreign Agents Registration Act itself and the subsequent regulations pertaining to foreign lobbying, the roots of lobbying and the historical background in which the Act came into effect, all in a descriptive style, while the second examines the regulation as regards transparency, national security, enforcement, and other factors, as well as showing the Act’s place and operation within the government. The third chapter presents relevant cases of lobbying, also along transparency and national security considerations, while bringing in both open, state lobbying and non-conventional forms, such as shadow lobbying, thus aiming to cover possibly as much as there is to foreign agent lobbying in the United States.

The primary addressees of this study are researchers of international relations, as my aim is to examine lobbying in the U.S.A. from the point of view of this discipline, namely, how foreign nations articulate their interests in a manner that affects U.S. politics. Political scientists also have to be mentioned, for along with the international aspect, there is a great deal of emphasis on the U.S. political system and how it incorporates the FARA as an administrative and enforcement unit. Finally, students of social sciences and general readers interested in politics and how interest exertion works can also be mentioned.
1. The Foreign Agents Registration Act

1.1. The Origins of Lobbying in the U.S.

As already mentioned previously, the difference of views, ideas and interests is an inevitable feature of the American political system, stemming from the many-sided diversity of society. Traces of lobbying can be found even during the times prior to the birth of the United States, as Wittenberg and Wittenberg describe lobbying as an American tradition, mentioning Benjamin Franklin as an advocate for the Pennsylvania Assembly before the Parliament in the Commonwealth era. The ‘Founding Father’ of lobbying in their point of view is Dr Manasseh Cutler, who showcased legendary advocacy skills when securing a deal which saw the purchase of unexplored government land so huge that today the states of Ohio, Indiana, Illinois and Michigan lay on it, for a bargain price in 1787. Cutler was also present at the ground-laying work of the Constitutional Convention, which also possesses huge relevance to the topic of lobbying. Therefore, to get to the very core of lobbying in the United States and understand it as appropriately as possible, the fundament that created the public law frameworks within the U.S.A. is to be discussed – namely, the Constitution. As Cigler and Loomis put it:

“American politics is quintessentially the politics of representation, through multiple layers of government; the separation of powers; a powerful, independent, bicameral legislature (elected by single-member districts); the development of modern political parties; and organization of legions of interest groups whose rights are protected by the First Amendment.”

The scholarly literature agrees on the fact that there is constitutional basis for lobbying, as the fundamental right to lobby is grounded and protected in the just mentioned First Amendment to the Constitution of the United States, which is often related to as the cornerstone of freedoms of the American people, as it states that “… Congress shall make no law … or abridging the freedom of speech, or of the press; or the right of the people peaceably

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to assemble, and to petition the Government for a redress of grievances.”

So, based on the wording of this quoted section from the First Amendment, which – not surprisingly, is included in the Bill of Rights – imposes negative obligations on the government, and more precisely, the legislative branch of it to respect the citizens’ right to advocate for and articulate their own interests into the political decision-making system of the U.S. The differing interests of American society cannot be emphasized and elaborated on more, and it was apparent in the time when the Constitution was being fabricated as well, so it is not an exaggeration to say that due to human nature, the country was built on the plurality of citizen special interests who were all expected to participate in the political system.

Therefore, it can be stated that lobbying is an integral part of the American process of politics from the very beginning, with its transformation being observable because of the natural development and evolvement of politics in the country during the last two hundred years. Foreign lobbying is not something new under the sun, either, as it can be traced back to as early as the second half of the 19th century: the Russian Czar’s government hired a former U.S. senator to assist in the passage of the bill necessary for the sale of Alaska to the United States in 1867; so too did the government of China pay for the services of a former U.S. minister in 1868, when their aim was to have the British and the United States engage in certain commitments with respect to Chinese sovereignty. Even though the United States was not a global superpower and it did not yet experience the several waves of mass immigration it would in the coming decades and centuries just then, there were already clear signs of foreign interests appearing in U.S. domestic and foreign policy.

1.2. Historical Background

When discussing the coming into effect of any bill a legislative body has passed, the environment and background in which it became reality must be touched upon as well, as legislation – in the case of the U.S., the Congress – does not create laws for its own entertainment, there are different public law, economic, social or international political considerations behind every move of a law-making body. Consequently, the rounds have to

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9 Ibid. p. 6
be done in order to get a clear view on why the Foreign Agents Registration Act had to be introduced in 1938.

Before turning the attention on the concrete situation that pressed the lawmakers to create this Act, it is worthwhile to take a look at how the activity of lobbying was viewed in the decades prior to the coming in effect of the FARA. Logan and Patten in their much-detailed article published in 1929 describe an utterly unexpected point of view regarding the status and public recognition of lobbying, at least from today’s perspective: they argue that lobbying is the sole and most effective political tool of the ordinary American citizen to express their political will, ranking this advocative activity before Congress.

The authors refer to lobbying as the 'Third House’ or the ‘Invisible Government’, which already imply a negative connotation behind lobby, as there are no such political institutions set forth in the Constitution as the ones above, therefore, a layperson can justly think that lobbying is an illegal practice, or at least moves in the grey zone between lawful and illegal. Logan and Patten actually mention this public opinion in their article when they say that “for the most part people have formed their opinions about the lobby from the abuses that have taken place.”11 However, the aim of the authors’ lengthy study is to shine light on practically every positive aspect of lobbying, and aim to separate the ‘old’, ‘abusive’, and ‘new’ type of it. Lobby had been present in the United States long before the publication of this article in 1929, though it had not been extensively examined, subsequently, the advantageous side of lobbying could not be elaborated on due to the stigmatization by the public.

The matter of fact is that based on the findings of the authors lobbyists play a role in connecting an elected legislator and the constituent they represent, as there was need for this due to the development of the American political culture in the 1920s. What is more, numerous professional organizations and associations started residing in the area neighboring Capitol Hill in Washington D.C., which came in handy for Congress in an unexpected way – as another author from 1929, McKee puts it, “lobbies do invaluable research work […]

which Congress would never have the time to do”\textsuperscript{12}. He also mentions some of these organizations, and says that, for instance, The United States Chamber of Commerce, The American Federation of Labor, the American Legion, or the National Association of Manufacturers can be very well of aid when Congress aims to regulate a particular subject.\textsuperscript{13}

By this, the representatives, who were extremely short of enough time to study a bill thoroughly, could make their decisions possessing the knowledge that would benefit their constituents the most, as “in the course of a single session of Congress, tens of thousands of bills are introduced”\textsuperscript{14}. It is important though to underline that the activity of lobbying is not described as something entirely saint or heavenly, it did have its flaws and provided experiences that in some way or form justified the critics aimed against it.

Another information of significance worthy of noting is that there were legislative attempts to regulate lobbying in the first decades of the 20th century, too; first on the state-level, as different states, such as Massachusetts, Montana, Ohio or Wisconsin, introduced pieces of legislation to set out the boundaries of lobby; then, on the federal level, in 1917, when Congress first attempted to regulate the activities of foreign lobbyists by requiring foreign agents to register with the Department of State.\textsuperscript{15} However, it was evident that this field of the political spectrum was in need of additional and more thorough regulation, especially with the phenomenon of propaganda pouring in more and more on the American society\textsuperscript{16}, mainly from the outside but with the help of internal sources, due to the fact of the increasing uncertainty within the international system in the years leading to the Second World War. These internal sources are the foreign agents whose activities had to be legally regulated because of the political influence they exerted through various means – and that is why the Foreign Agents Registration Act was introduced in 1938.

\textsuperscript{13} Ibid.
\textsuperscript{14} Ibid. p. 347
\textsuperscript{16} Logan, Edward B. – Patten, Simin N. op. cit. pp. 1-91
1.3. The Act and its Provisions

1.3.1. Definitions

The Foreign Agents Registration Act, “also known as the McCormack Act, was enacted in 1938 pursuant to the recommendations of the Special House Committee on Un-American Activities for the Investigation of Nazi and Other Propaganda.” The Committee had found substantial evidence that many United States citizens who represented foreign governments were aided with funds to carry out un-American activities and influence American foreign and domestic policy, therefore drafted a bill which later became the Act itself. It is important to note at this stage the influence of ethnic pressure groups working in the United States, as Germans living in the United States insisted on changing the wording from ‘Nazi agents’ to ‘foreign agents’. Therefore, it is clear to see that the Act was originally enacted to control the spread of subversive propaganda prior and during World War II, however, now it controls the conduct of lobbyists, public relations counsellors, attorney, and other agents acting on behalf of foreign entities.

The original title of the Act, as written in it, is “AN ACT to require the registration of certain persons employed by agencies to disseminate propaganda in the United States and for other purposes,” and it lists in eight detailed sections the regulations and measures Congress brings about to lay down the operational limits of foreign agents working in the United States. Naturally, the FARA defines the term foreign agent:

“The term ‘agent of a foreign principal’ means any person who acts or engages or agrees to act as a public-relations counsel, publicity agent, or as agent, servant, representative, or attorney for a foreign principal or for any domestic organization subsidized directly or indirectly in whole or in part by a foreign principal.”

It is extremely important that this definition provides exemptions from under the Act’s effect for any “duly accredited diplomatic or consular officer of a foreign government who is so recognized by the Department of State of the United States, or a person […] performing only

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17 Fong, Phyllis K. op. cit. p. 755.
18 Ibid.
19 Ibid. p. 753
21 Ibid.
private, nonpolitical, financial, mercantile, or other activities [...]”22. The sections set out the three provisions with which the persons falling in the category of agent of a foreign principal have to comply, otherwise they have to face serious legal repercussions should the Attorney General (AG) of the United States deem necessary.

1.3.2. Obligations

Firstly, every agent of a foreign principal is to file a registration statement with the Attorney General; secondly, they are to file two copies of all political propaganda transmitted either through the United States mails or by other forms of interstate commerce with the Attorney General; thirdly, the agents are to keep books of account and other written records of all activities required to be disclosed under the Act.23 As it is a natural characteristic of such pieces of legislation, not only do the agents have to comply with the provision, they have to keep in mind the time limits the Foreign Agents Registration Act set out for them. The registration statement must be filed within ten days after becoming an agent, it must be completed under oath and include a complete list of the agent’s employees, a description of the nature of their work, and copies of all written agreements between agent and principal.24 An excerpt of such a registration statement can be seen in Figure 125.

The corresponding section lists additional information that must be disclosed in the registration, such as what terms the agent and the principal agreed on orally, how these agreements will be performed, political activities, any sum paid by the principal to the agent within 60 days of registration, other persons’ names on whose behalf the agent is acting, money disbursed by the agent on the principal’s behalf also within 60 days of registration, and any other information or documents necessary for full disclosure required by the Attorney General. Every agent has an obligation to both file a supplemental statement every six month after the initial registration and continuously disclose all changes in this information. Also, one of the most significant new requirements in terms of transparency was

22 Ibid.
23 Fong, Phyllis K. op. cit. p. 261
24 Ibid.
25 Registration of Foreign Agents, op. cit. p. 212
that the registration statements are open for the public to inspect and examine them at any time.  

![Foreign Agent Registration Statement](image)

**Figure 1. Excerpt of the foreign agent registration statement**

26 Fong, Phyllis K. op. cit. p. 262
1.3.3. Repercussions

As for the previously mentioned repercussions, failure to comply with the requirements “may result in a fine not more than $10,000 and imprisonment for not more than five years. Any alien convicted under the Act is subject to deportation.” The Attorney General may also prohibit any person to continue acting as a foreign agent if they have violated or are about to violate the Act’s provisions, what is more, he has authority to create regulations he deems necessary to carry out these provisions. Subsequently, the United States Attorney General exercises full authority when it comes to the compliance with the provisions of the FARA, therefore, the fact that any deliberately or accidentally failed attempt to meet the requirements of the Act is monitored legally from the highest possible political actor shows that the legislative aim behind the fabrication of FARA was to provide regulation that prioritized transparency and national security. It is true that these aspects are not mentioned in the bill that laid the ground for the Act but carrying out un-American activities or influencing the country’s foreign or domestic policy can easily be associated with them.

National security is one of the most important policy fields in the United States, and this statement does not need extra explanation bearing in mind the role this country plays in global politics; however, this consideration can easily be overshadowed by constitutional worries, as the Act itself is an immensely complex interplay between the individual’s already discussed First Amendment right to free speech and national security interests. It is not surprising then that the Foreign Agent Registration Act did not cease simultaneously with Nazi propaganda, it only started a process which saw its own legal modifications in the coming decades.

1.4. Subsequent Regulations

1.4.1. The Amendments of 1966

As mentioned previously, there is a distinction between what the FARA intended to regulate when it came into effect and what it regulates today, and this difference is the result of a series amendments to the Act, introduced in the subsequent decades of the 20th century.

27 Registration of Foreign Agents, op. cit. p. 262
28 Ibid.
29 Fong, Phyllis K. op. cit. p. 753
The congressional intent behind the fabrication of the Act right from the beginning was to promote full disclosure and transparency rather than to seek total suppression or impair the right of free speech, which shows just how difficult it is to reconcile the mentioned national security considerations with fundamental freedoms granted by the Constitution of the United States. The Act was followed by four relatively minor amendments in 1942 (the McKeller-Summers Act), 1950, 1956, and 1961 with the aim of closing some loopholes.\textsuperscript{30}

The first major amendment came during the 89\textsuperscript{th} Congress in 1966 as a response to public demand for more transparent and detailed information about how and for what the lobbyists act on behalf of foreign interests. These amendments made four changes in the original Act and imposed four new requirements on foreign agents. Probably one of the most significant change was that the definition of “political activity” was broadened to include any activity intended “to persuade, or in any other way influence any agency or official of the Government of the United States […] with reference to formulating, adopting, or changing the domestic or foreign policies of the United States […].”\textsuperscript{31} This new definition caused ambiguity stemming from the broadness of it, which both the Senate and House Committees aimed to clarify, however, there were still questions left unanswered. The main concern was the uncertainty whether certain types of common behavior – for instance, negotiations over government contracts, recommendations and comments on proposed agency regulations, or special ways of discussions with government officials –, in the absence of exemptions, require registration or not.

The other three changes that the amendments brought were three new exemptions, which aimed to somewhat reduce the sweeping tone of this new definition, namely, the attorney’s exemption, the predominantly domestic interest exemption, and the Justice Department’s exemption.\textsuperscript{32} In addition to the four changes discussed, the new requirements directed the registered foreign agent to inform a government official from whom he requested information concerning United Stated policies for his foreign principal, and prohibited agents of such principals, whether registered or not, of making political contributions in the U.S. What is more, a foreign agent, who is required to register under the Act, may not serve in any branch

\textsuperscript{30} Ibid. 757
\textsuperscript{32} Paul, Roland A. op. cit. pp. 604-606
of the United States government without special certifications from the employer side, and an
agent of a foreign principal may not enter into a contract that provides contingent fee
compensation for political activities conducted on behalf of the said principal.33

Essentially, it can be stated that the most important aim of the Amendments of 1966
was to fine-tune, refine and adjust the original provisions of the Act to be in accordance with
the developments that had taken place in the American public relations spectrum, and,
subsequently, to minimize national security exposure, as well as to satisfy the individual’s
right to free speech. The Amendments are certainly not a setback compared to the original Act,
and they do not take away anything from it, either, thus the frameworks of regulating foreign
lobbying specifically were laid with the Foreign Agents Registration Act and its amendments.

1.4.2. The Federal Regulation of Lobbying Act

Even though the Act that federally regulates lobbying activities had already been
passed twenty years prior to the amendments to the FARA, it is not as closely associated
with, and thus cannot be examined entirely subsequently to the Foreign Agents Registration
Act. Nonetheless, for the Act’s subject is lobbying in general, it cannot be completely
separated from the 1938 one, and plays a significant role in the process of regulating lobbying
activities in the United States of America. While the FARA’s goal was and still is to set out
the boundaries of foreign influence being exerted into U.S. politics, the federal statute
provides a general public relations regulation framework within the American political
system.

In the Federal Regulation of Lobbying Act (FRLA) of 1946 legislators carefully
avoided the use of the word ‘lobbying’, substituting it with by referring to ‘pressure groups’
and their agents, and it clearly indicates a more mature congressional view of the pressure
group problem for many reasons. First, it was enacted as a part of the Reorganization Act,
which aimed to shift back the balance of decision-making power to the legislative branch of
the government. Second, it did not come as a demand for restrictive regulation following a
congressional committee recommendation, Congress intended more than elimination of
previous abuses of the right to petition.34

33 Fong, Phyllis K. op. cit. pp. 759-760
The provisions of the Act are set down inclusively in Sections 302-311 in which attention is dealt to the activities of those engaged in lobbying for pay, financing of lobbying to influence legislation, and of course, the persons to whom the Act applies is defined, as well. Analogously to state statutes and similar regulations (like the FARA), the Act establishes requirements for registration and states the public disclosure obligation of pressure group activities, thus the importance of accountability and transparency towards the public is emphasized yet again. However, the law can be criticized for the vagueness of its provisions, and the absence of any direct attempt to define the activities it intends to regulate led to considerable confusion as to who is to register or file financial statements under the terms of the Act. Another criticism is that after reading through this piece of legislation, it is apparent that the drafting was done hurriedly, the sections do not seem to constitute an integrated whole, which seriously damages Congress’s intention of creating a thorough and adequate law to regulate such a complex territory of public life. Some voices were raised regarding the constitutionality of the Act, while there were some who said it does not go far enough in terms of regulating pressure group activities. Still, despite the fact that the Lobbying Act was often criticized for the mentioned flaws, along with the Foreign Agents Registration Act, it formed the legal and administrative foundation of designating the boundaries within which both foreign agent and regular lobbying can be carried out in the United States, keeping in my national security and transparency considerations.

1.4.3 The Lobbying Disclosure Act of 1995

Even though both the FARA and FRLA became regulatory milestones in the legal system of the United States, it became clear for Congress in the 1990s that there are flaws and clarity concerns in the earlier laws pertaining to lobbying disclosure. The Lobbying Disclosure Act (LDA) of 1995 was an intention of legislation “to strengthen public confidence in government by replacing the existing patchwork of lobbying disclosure laws with a single, uniform statute which covers the activities of all professional lobbyists.” The main novelty this piece of legislation brought was a comprehensive disclosure regime,

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36 Improving the Legislative Process: Federal Regulation of Lobbying. op. cit. p. 318

37 Mayer, op. cit. p. 503
because it requires lobbyists that lobby certain federal governments officials to register and provide information on their activities. However, if the LDA is viewed from the FARA’s point of view, it can be stated that similar disclosure requirements had already appeared in U.S. legislation in the law designated for foreign agent lobbying, therefore, there was nothing new under the Sun in 1995, either.

In terms of the provisions of the Act, it follows the usual pattern of delineating who can be referred to as a lobbyist and lists both the requirements and the numerous exceptions from the disclosure regime. Lobbyists are regarded as “either individuals or organizations that are hired by a client to engage in lobbying, or individuals or organizations that lobby on their own behalf”\(^38\), and the fact that organizations are specifically mentioned in the definition set forth by the law is remarkable, as there had not been such a distinction made prior to the LDA in this respect. These entities are required to provide identification for both themselves and their clients, and a special feature of this piece of legislation that the lobbyists have to identify the exact chamber of Congress and the specific federal agencies contacted on behalf of the clients, the specific issues upon which they carry out their activities – regardless of on whose behalf –, and provide an estimate of the expenses incurred, all on a half-yearly basis.\(^39\) The various exceptions include exemptions from registration and reporting requirements for relatively small amounts of lobbying, and the most significant is that if an individual’s lobbying activity constitutes less than twenty percent of the time spent providing services to the client, then such an individual cannot be defined as a lobbyist.\(^40\)

To sum up the regulation of lobbying in the United States, legislation tried its best to place this activity within proper legal bounds, as the dates of enactment of the regulating statutes cover almost the whole of the 20\(^{th}\) century. Though the Foreign Agents Registration Act is associated most strictly with foreign agent lobbying, it is inevitable to place it in the systematic overview of regulation history, and to characterize the other three pieces of legislation designed to regulate lobbying, as well. Thus, the conclusion can be drawn that a comprehensive, divergent, and effective disclosure regime was indeed established through the three federal, and countless state-level regulations, with the aim of enabling the

\(^{38}\) Ibid. p. 502
\(^{39}\) Ibid.
\(^{40}\) Ibid.
government to be as clear as possible with the different interests – be it domestic or foreign – being exerted into American politics and public life.

2. The FARA at Work: Operation and Mechanisms

After having provided a detailed systematic overview of how the regulation of lobbying evolved from the Foreign Agents Registration Act in the United States of America, the attention in this part is now to be turned towards how much this law was able to fulfil the role its creators had intended for it from the perspectives of national security and transparency, while analyzing how the FARA actually operates within the administration of the United States of America. This chapter focuses on the place of the Act within the Government of the United States, as its placement is a giveaway of the driving considerations behind it, breaking down the organization above the operation of the statute from federal department to agency and section level. After, the attention will be placed on the administration and enforcement of the FARA respectively, with special regards to one of the most important novelties that this piece of legislation brought with it, public disclosure and the way it is carried out; as well as on transparency and why the work of NGOs is needed to strengthen accounting to the public; and also, on how the regulations and obligations of the Act are implemented from the government’s side of the Act through the various legal and administrative tools at their disposal.

2.1. FARA’s Place Within the Government

2.1.1. The Department of Justice

Even though statutes cannot be manifested other than writing them down or printing them out on paper, the Foreign Agents Registration Act fills a place in the operation of the U.S. government, just like a public official does. Naturally, a person and a piece of legislation vastly differ in terms of what they can carry out and how, as the person rather oversees the implementation and enforcement of the provisions of a given act, it is important to notice that the FARA is integrated not only into the legal system, but through that, also into the work of the executive branch and the Government of the U.S.

As it has already been quoted in the ‘Obligations’ sub-paragraph of the thesis that the Attorney General oversees the compliance with the provisions of the FARA, therefore, the executive body in the U.S.’s political system responsible for the smooth and
uninterrupted operation of this piece of legislation is the Department of Justice (DOJ). The DOJ is one of the 15 departments that can be considered as the ministries in other democracies, such as Hungary, these fundamentally operate the executive branch through the countless federal agencies working within them. The heads of these departments are appointed directly by the President of the United States, whom, along with the Vice President comprise the cabinet or the administration itself, which is responsible for carrying out the laws made by the legislative branch. The deduction that if the AG is in charge of the implementation of the provisions of the FARA, then the relevant department is the DOJ, comes from the simple fact the head of the Department of Justice is the Attorney General under whom every additional DOJ-associated federal agency is subordinated. Congress in the Judiciary Act of 1789 created the position of the AG, while “the United States Department of Justice was established in June 1870, with the Attorney General as its head”.

Despite the sole responsibility of the DOJ in the respect of the executive branch, it is worth looking at how interconnected the operation and execution of the FARA is within the entire Government of the United States. The Justice Department has already been described as the executive body, however, the Department of State has to be brought up, too, when discussing the obligatory registration process for foreign agents, but solely because this was the executive organ from which the administration and enforcement of the Act was transferred to the DOJ. Furthermore, the entirety of the government was not mistakenly emphasized, as the legislative branch plays an important role in the effects of the Foreign Agents Registration Act. First, it goes without mentioning that Congress, as the legislative body, created and passed the Act in the first place; what is more, Congress bears with the right to summon any foreign agent carrying out lobbying activities to testify before one of its committees, where the agent “must furnish the committee with a copy of his most recent registration statement”.

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44 Ibid.
and interdependent the work of the executive and legislative branches of the U.S. Government is when administering the statutes aiming to regulate foreign agent lobbying in the country.

2.1.2. The National Security Division of the DOJ and National Security

To specify the body that is responsible for the administration of the FARA, therefore, to move from department level to agency level within the Department of Justice, the National Security Division (NSD) ought to be named out of the 38 different agencies operating in the frameworks of the Department, like the Federal Bureau of Investigation (FBI), the Drug Enforcement Administration (DEA), or the Civil Rights Division (CRD).\(^45\) The Division is led by the Assistant Attorney General for National Security\(^46\) in the DOJ, and coordinates the work of the different offices and sections within the Division.

The NSD was created in March 2006 with the mission to carry out the Department’s highest priority: “protect the United States from threats to [the] national security by pursuing justice through the law. The NSD’s organizational structure is designed to ensure […] strengthening the effectiveness of the federal government’s national security efforts”.\(^47\) The levels of the organizational umbrella above the FARA’s operation can and will be narrowed down further, as the unit within the NSD that the most directly oversees the Act is the Counterintelligence and Export Control Section, but the fact that the agency with which the Foreign Agents Registration Act is associated is the National Security Division is a clear sign and indicator that the Government of the United States approaches the exertion of foreign interests into its political system based on national security grounds.

It is then not an exaggeration to state that the execution of the provisions of the FARA is regarded with the highest possible national security considerations, and this consideration is the lens through which the activities of foreign agents are examined. The question of transparency is too present, however, a foreign agent or their principal cannot

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\(^{45}\) Department of Justice. General FARA Frequently Asked Questions. The United States Department of Justice, Justice.gov. [April 11, 2018]

\(^{46}\) Department of Justice. National Security Division. The United States Department of Justice, Justice.gov. [April 11, 2018]

\(^{47}\) Ibid.
be bound to provide transparent documentation of their operations if national security motivations are not the top priority of any executive authority in any political system. Subsequently, a state with the position and influence within international politics and the international order that of the United States simply cannot not view every possible instant of foreign will aiming to be channeled into its politics as a probable threat to national security. It might seem too simplistic, but even the fact that the term ‘national security’ is included name of the overseeing federal agency proves how much significance this bears in the U.S. political system and culture.

2.1.3. The Counterintelligence and Export Control Section

The Counterintelligence and Export Control Section (CES) is the most directly associated federal agency section with the execution of the provisions of the FARA. The NSD possesses seven other sections or offices along with this one, for instance, the Counterterrorism Section, the Office of Intelligence, of the Law and Policy Office, but unsurprisingly, the focus is to be placed on the CES in terms of its duties and responsibilities. According to the Justice Department’s website that lists the sections and the offices of the National Security Division, the CES:

“supervises the investigation and prosecution of cases affecting national security, foreign relations, and the export of military and strategic commodities and technology. […] It provides legal advice to U.S. Attorney’s Offices and investigative agencies on all matters within its area of responsibility, which includes 88 federal statutes affecting national security. […] In addition, the Section administers and enforces the Foreign Agents Registration Act of 1938 and related disclosure statutes.”

The analysis has to be started from the very last sentence of this quoted section, as not only does it directly relate to the FARA but is also sets out the tasks and duties of the CES in terms of the Act. The verb ‘enforces’ evidently designates the requirement of the active executive nature of the Section’s attitude towards the implementation of the Act, while the second part containing the term ‘disclosure’ is of prime importance on which more

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48 Department of Justice. Counterintelligence and Export Control Section, Sections & Offices. The United States Department of Justice, Justice.gov. [April 11, 2018]
emphasis will be put in a subsequent sub-chapter of the study. National security is once again mentioned multiple times, which supplements the previous explanation of why it is extremely significant from a U.S. point of view. What is interesting is the notion of economic interest being discussed in the quoted section and its appearance in the CES’s name, as it can be known from the previously analyzed wording of the text of the FARA, economic reasons and motivations were not the dominant driving forces behind the crafting and birth of the Act in 1938. Nonetheless, it is relatively apparent that during the eighty years that have passed since the coming into effect of the Act the world of international politics has undergone fundamental changes, economic interests and national security considerations cannot be regarded separately anymore, and the tools of propaganda dissemination and altering public opinion have been entirely or partly replaced by FDI-type or other forms of transnational investments, just to name a few. Partly, however, as information has become one of the most relativized phenomenon of today’s globalized world, therefore, presenting it in a deliberately confusing way is indeed and fully able to substantially change how the public might react or simply think about a certain event or news.

2.2. Mechanisms, Administration and Enforcement

2.2.1. Public Disclosure

In the 21st century, people, mostly in all cases, turn to the Internet when they seek information about virtually any subject, as it has never been this easy to access them. It can be argued whether the way individuals or organizations use this sheer amount of data accessible in the online web has moved in a positive or negative direction, but it has most certainly and irreversibly changed how knowledge and information is spread among people.

To narrow down this modern phenomenon to the case of the Foreign Agents Registration Act – which, at first glance, does not seem completely and relevantly feasible –, the focus is to be placed on the regulation’s relation with one of its most important novelties and innovations, public disclosure. These two notions bear with significance respectively, but as they appear in the wording and provisions of the Act together, they cannot be separated from each other when examining the operating mechanisms of the FARA, and this is where the Internet and the publicity it provides comes into the picture.
It has already been examined that agents operating on behalf of a foreign principal must comply with the provisions of the Act, and one of these provisions is a requirement of semi-annual public disclosure of any changes to the original assignment contract between the two parties. This consideration closely follows and is almost equal to national security motivations, as the administration and enforcement of the FARA and the other federal statutes are among the most important duties of the CES, as similarly worded in their mission statement, which has previously been quoted.

It falls within the duties of the Department to operate a website dedicated solely to the publishing of every relevant information in this respect, as this is the most effective tool for public disclosure in our digitalized world of today. Naturally, this was not always the case, as the world wide web came into existence for the public only in the 1990s, and collecting all the data for disclosure meant a job of much more difficult order of magnitude. However, the sub-website\textsuperscript{49} of the Justice Department contains hundreds of ten different types of documents all related to the provisions and obligations of the Act, such as registration statements, supplemental statements, amendments, different types of exhibits, so-called short-forms, conflict provisions, disseminations reports, and information materials.\textsuperscript{50} Arguably, the document type with the most significance is the registration statement of which there are both active and terminated ones accessible from the website’s database, even from pre-Internet times. The number of foreign agents registered as active under the effect of the Foreign Agents Registration Act in the United States as of today\textsuperscript{51} is 428\textsuperscript{52}, while there are 2395 statements that have been terminated over the course of the past decades.\textsuperscript{53} Consequently, a staggering number, almost 3000 legal entities have registered as foreign agents operating on behalf of foreign principals since the coming into force of the FARA, which is a tangible indicator of the intention of foreign involvement and interest exerted into the public life of the United States, and

\begin{footnotes}
\item[49] www.justice.gov/NSD-FARA
\item[51] April 11\textsuperscript{th}, 2018
\item[53] Ibid. Terminated Registration Statements
\end{footnotes}
retrospectively supports the contemporary need that ultimately called the Act into existence in the late 1930s.

Interestingly enough though, these registration statements cannot be accessed directly from the online database of the DOJ, as they constitute classified information; thus, the supplemental statements can become the subjects of interest, as they can be freely downloaded from the website, and these are the ones that must be submitted every six months, containing important information as to whether there have been any changes to the original registration statement, such as changes in the person of the agent or the principal, whether the agent or the principal have engaged in political activities, whether the agent has received from the principal or other sources any income or compensation, or with whom the agent has met from either chambers of Congress, to name only a few, as based on the activities of the agent, the length of this document can range to double-digit pages. Figure 2 shows the excerpt of the supplemental statement of a randomly selected agent, ‘Thomas Capitol Partners, Inc.’, whose foreign principals are the Embassy of the Republic of South Korea in the United States and the Korea International Trade Association. It can thus easily be stated then that this agent’s main goals, judging simply from its principals, is to promote South Korean political, cultural and economic interests in the United States of America; in fact, the agent elaborates on this in more detail in the attachment part of the statement, stating that the entity „provided strategic consultation, public relations advisory and lobbying services related issues to the U.S.-Korea Bilateral Alliance (GBA)”.

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55 Ibid. p. 5
56 Ibid. Attachment p. 1
The other component to the operating mechanism of the FARA is the provision of semi-annual reporting to Congress by the supervisory executive organ, the DOJ. The Attorney General of the United States, as the head of the Justice Department, is the public official responsible for this task, but of course, there is a whole administrative body at the AG’s disposal to monitor the lobbying activities and then report to legislation, namely the aforementioned Counterintelligence and Export Control Section of the National Security Division of the Department. The Internet plays a huge role again when looking at how open and transparent this process is to the public, as the semi-annual reports of the AG can be easily retrieved and downloaded by the public from a separate sub-section of the same website dedicated to all information about the FARA under the leadership of the Assistant Attorney General for National Security. The effect of the online world in this process is of undescrivable aid and significance once again, because every such report is listed and can be accessed from 1942 up until the latest one, which is the first semi-annual
report of 2017; this provides a perfect example to examine and analyze more in-depth in terms of what information is disclosed from the executive branch’s point of view.

The permanent title of this semi-annual document is ‘Report of the Attorney General to the Congress of the Unites States on the Administration of the Foreign Agents Registration Act of 1938, as amended, for the six months ending’, naturally, with the end date of the most actual half-year, which, currently, is June 30, 2017. The organization and structure of this 299-page-long report is quite simple, for the barely two pages long introduction – within which a statistical summary is also presented of the six months – is followed by the alphabetical listing of each and every state in the world that has registered agents operating in the United States, and the final part is dedicated to the two appendixes containing the registrant and the short form index. The first information that can be noticed and analyzed, without even looking at the data that is provided in the statistics part, is that how many different countries represent themselves on this list altogether: 134 country names are recorded in the document, with one entry named ‘International’, which is a collective umbrella-type denomination for entities of transregional or international organizations and initiatives, such as the League of Arab States, the Delegation of the European Union to the United States, the Organization of Islamic Cooperation, or the Alpine Tourist Office and the Caribbean Tourism Organization\(^{57}\). Remarkably, these organizations possess bi- or multilateral relations with the U.S. on the highest level through the diplomatic missions of their respective member states, however, they regarded the relationship with the Unites States so important that they have agents registered within the frameworks of the FARA to lobby on their behalf separately. Or to put it in another perspective, the whole system regulating lobbying that was first established by the Act and has been in force with amendments and modification ever since works so effectively that it persuaded these entities to divide their diplomatic and interest exerting activities by registering their representatives as foreign agents. This also supplements the argument that the FARA proved and proves to be a regulation that is able to serve as a tool for eliminating national security risks with the aid of public disclosure and transparency.

2.2.2. Transparency and the Work of NGOs

It does not come as any surprise that the consideration of transparency is extremely closely associated with public disclosure, or they might even be substitutes to one another when discussing the mechanisms of the Foreign Agents Registration Act. Therefore, the previously begun analysis of the AG’s report can be continued in this section, as well, before the attention is turned to the reason behind the need for the work of non-governmental organizations in this field. Transparency is well reflected in the wording of the contents of the report:

“The text of this report lists, according to geographical area or nationality, all agents who were registered at any time during the first six months of 2017, or who reported for the first time in that period activities, receipts, or disbursements for the previous period. It includes the identities of the agents and their foreign principal(s), a description of the agent’s activities, including a description of any informational materials disseminated, a total figure of monies received, and a listing of all individual agents.”

This section does not need that much of additional explanation, as the obligations of the agents listed in it have already been talked about in the context of the FARA itself, it is simply an indication of the comprehensive nature of transparency that the Government of the United States requires of all actors who intend to exert foreign influence within its political system. After this general delineation, the part containing the concrete and rigid data in the form of numbers and stats is the ‘Statistical Summary’ one, as it presents the processes and changes that occurred during the six-month period ending June 30, 2017. According to this, the Department of Justice received 41 new registration statements and terminated 9 registrations, which means 395 active registrations in total, representing 564 foreign principals, were on file during January 1 through June 30. There seems to be a conflict between the number of agents reported and the previously mentioned number of active registrations found on the website, but this stems from the fact that the information query was made almost a year later then the latest report was published, subsequently, the number of registered agents during the current six-month period is more by 33. The report

58 Ibid. p. 1
also talks about the changes in the number of the so-called ‘short-form’ registration statements, which is basically a relief for entities who would have to repeatedly submit their registrations with the same information. Moreover, the fluctuation in the number of instances when a new agreement was made or terminated with a foreign principal is also reported, as well as for there is legal basis for the Attorney General to collect fees to cover the costs of the administration of the Act since 1992, the amount of this inlet is also presented to be $173,641 for the six months, and a total of $10,038,080.30 since the initiation of the program.\textsuperscript{59} An excerpt of the report on the activities of the two Hungarian registrants can be seen in Figure \textsuperscript{60}, which are both employed by the Government of Hungary to lobby to improve bilateral and public relations respectively. This excerpt perfectly pictures the nature of the transparent public disclosure regime set up by the Act, as every information that might be relevant to finding out the motives of a foreign agent is listed in a detailed way.

\textbf{HUNGARY}

\begin{itemize}
  \item \textbf{Liberty International Group, LLC} \#6241
  \begin{itemize}
    \item 15081 Tamarind Cay Court
    \item Apt. 1005
    \item Fort Myers, FL 33908
    \item Government of Hungary, Prime Minister’s Office
  \end{itemize}
  \textbf{Nature of Services: Lobbying}
  \textbf{The registrant had ongoing discussions with members of the U.S. House of Representatives and staff regarding U.S. Hungarian relations, their perceptions of the Hungarian government, and participating in potential bi-lateral meetings between select members of Congress and Hungarian members of Parliament.}
  \textbf{$358,367.05$ for the six month period ending February 28, 2017}

  \item \textbf{S.I Group, LLC} \#6259
  \begin{itemize}
    \item 228 S. Washington Street
    \item Suite 115
    \item Alexandria, VA 22314
    \item Government of Hungary, Prime Minister’s Office
  \end{itemize}
  \textbf{Nature of Services: Public Relations}
  \textbf{The registrant provided strategic consulting, communications, and public relations assistance and networking activities on behalf of the foreign principal.}
\end{itemize}

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure3.png}
\caption{Hungarian foreign agents in the AG’s latest semi-annual report}
\end{figure}

If the Act’s public disclosure system and transparent operation seems to be this evident and effective, it is a legitimate question to ask why the work of NGOs is needed, or basically, why these non-political organizations even have to be mentioned. The abbreviation ‘NGO’ stands for non-governmental organization, which was first used by

\textsuperscript{59} \textit{lbid.} pp. 2-3
\textsuperscript{60} \textit{lbid.} p. 76
the United Nations, and these entities were created as a reaction of different members of civic society, independently from any government, to the inability of the state to act in certain fields of public life. It is enormously difficult to provide a concise and thorough definition as to what these organizations are, Blahó and Prandler in their work ‘Nemzetközi szervezetek és intézmények’ list several of their common characteristics, based on which it can be stated that „ [...] they are initiated spontaneously privately or jointly; [...] they do not pursue commercial activities, they are not profit-oriented; [...] they ensure transparency, public control.“ These are only a few of all the features of NGOs listed, but these – especially the last one – provide an adequate explanation as to why the work of non-governmental organizations is important, even though it has not seemed necessary so far for any actor to step up beside the Government of the U.S. to ensure the transparency of the FARA. That is exactly the aim of the Sunlight Foundation, which is one of the most related NGO to the topic of the transparency of the government to the public in the United States.

As stated on their website, “Sunlight Foundation is a national, nonpartisan, nonprofit organization that uses civic technologies, open data, policy analysis and journalism to make [the] government and politics more accountable and transparent to all.” This statement does not instantly provoke the Foreign Agents Registration Act, but if the nature of public opinion towards lobbying as a whole is considered, it is not difficult to see why they carry out their activities regarding interest exertion on the government, as well, be it national or foreign. The Foundation believes that improving public access to public information by enabling the public to be closer to it is essential, their analysts demand ever-improving transparency policy within the frameworks of working directly with governments at all levels, while they have journalists who cover political influence and government transparency using data journalism techniques. Sunlight’s ‘Lobbying Tracker’, which is a tool for keeping the list of lobbyist who are hired, and former congressional members aiming to legally lobby their old colleagues, up-to-date has been

61 International Organizations and Institutions
64 Ibid.
complemented by the tracking of foreign influence since 2011, as well. This is basically including every information – the already discussed types of documents associated with the FARA – that is made public through the Act’s online database in the Foundation’s own one.\footnote{Young, Lindsay: Lobbying Tracker now follows foreign influence. SunlightFoundation.com, Apr 6, 2011. \url{https://sunlightfoundation.com/2011/04/06/new-foreign-lobbying-feature-lobbying-tracker/} [April 19, 2018]} Furthermore, the NGO emphasized the delinquencies that had originally been presented in the 2016 report and audit of the DOJ’s inspector general, which gave a mixed review on the execution of the law and highlighted the need for greater enforcement of disclosure rules because of frequent delays and the lack of follow up measures. Subsequently, the Foundation has been urging the DOJ and Congress to make much-need alterations to the enforcement and administration of the Act, so that compliance with it would be more strictly controlled, which would ultimately mean that foreign agents follow the law even more.\footnote{Stewart, Josh: Report finds delays and delinquencies in foreign lobbying disclosure. SunlightFoundation.com, September 9, 2016. \url{https://sunlightfoundation.com/2016/09/09/report-finds-delays-and-delinquencies-in-foreign-lobbying-disclosure/} [April 19, 2018]} As far as they are concerned, this goal could be reached by the passing of the ‘Lobbyist Disclosure Enhancement Act’, which was introduced by Representative Mike Quigley in June 2011, and which would seriously bolster public knowledge on influence exertion in Washington by closing existing loopholes, speeding up disclosure of new registrations, strengthening enforcement mechanisms, and requiring lobbyists to disclose even more information about their activities. Sunlight also advocates for the change of lobbying rules so that public would have real-time, online information about who is influencing policy-making decisions on Capitol Hill.\footnote{Sunlight Foundation. Lobbying Reform. SunlightFoundation.com \url{https://sunlightfoundation.com/policy/lobbying/} [April 19, 2018]}

Along with the Sunlight Foundation, the Center for Responsive Politics (CRP) is the other organization more than worthy of mentioning in this respect, as their aim is to track money in U.S. politics and its effect on elections and public policy, therefore, lobbying, as well. The CRP is a nonpartisan, independent and nonprofit NGO with the mission of producing and disseminating data and analysis on money in politics to inform and engage the public, champion transparency, and expose disproportionate or undue influence in public policy; this they pursue through their website, OpenSecrets.org, “which is the most comprehensive resource for federal campaign contributions, lobbying
data and analysis available”68. Not only does this website through tables and chart present the money inserted into U.S. politics, they maintain a ‘Foreign Lobby Watch’, too, which – similarly to Sunlight – collects every document from the FARA’s online database one by one, collecting a catalogue of thousands of documents retrieved directly from the DOJ about registered lobbyists under the FARA, the foreign interest they represent, and their meetings and other contacts with officials of the government69. The importance of the CRP’s money-tracking activities will be emphasized in a later part of the study.

It can be concluded that not everything is perfect with how the FARA is administered and enforced, but on one hand, the situation is much better when it comes to foreign agents, and on the other hand, improvements made on domestic lobbying indisputably affect the way foreign agent lobbying is controlled in a positive way. Therefore, the work carried out by NGOs mentioned shines a light on the shortcomings of the regulations, formulates criticism against the notion that the mechanisms of the FARA could not be more effective, and by channeling in civic capacities keeps issues in the public’s agenda in a certain way that otherwise would not at all be possible.

2.2.3. Indictments

The final regime that is to be mentioned when discussing the different sides of the FARA’s way of working and enforcement is the one that provides the punitive content and nature of the statute, indictment. Legal repercussions by far are the strongest considerations as to why the subjects of the Act must comply with its obligations and provisions, as the punishments for the failure of acquiescence can range from a $10,000 fine through imprisonment to deportation.

The website of the Justice Department a criminal resource manual for virtually every statute that is in force currently in the American political system, so, an exceedingly detailed description can be found of the whole administrative history and the enforcement process of the Foreign Agents Registration Act, as well. Enforcement-wise, the periods before and after the amendments of the Act in 1966 show a different nature, but this can be credited to the facts that the focus of the FARA pre-1966 was on propagandists rather

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than on the integrity of the decision-making process in the U.S., and the administration of the Act was transferred from the Department of State to the Justice Department in 1942. The DOJ aimed to approach the question of compliance via a different practice, namely, by sending letters advising prospective agents of the existence of the Act and their possible obligations pursuant to the Act. The effects of the Amendments of the FARA in 1966 were not without significance, as the narrower definition of ‘political activities’ increased the Government’s burden of proof, and this, along with the addition of a civil injunctive remedy drastically reduced the instances of criminal prosecutions and increased the civil and administrative resolution nature of FARA questions. Surprisingly, there has not been a single instance of successful criminal prosecution under the FARA since 1966, and only three incidents of FARA violation charges have occurred with two grand jury investigations not resulting in criminal charges. The three cases ended in three different ways, as the case United States v. Park Tong-Sun was dismissed as a part of a plea bargain, the Department lost the case United States v. John P. McGoff because of a problem stemming from statute limitations, and the case United States v. Sam H. Zakhem, et al. was dismissed by the Government. Consequently, it can be stated that “judicial clarification of the Act’s provisions has developed slowly due to the relatively small number of indictments returned pursuant to the Act”.

Criminal investigation and civil action therefore have to be separated, as there are differing thresholds for the commencement of these legal processes. The threshold for criminal action “is the presence of reason to believe that a significant FARA offense has been committed and that sufficient evidence should be available to prove this” while “the threshold for a civil action is sufficient credible evidence of a significant violation for which the civil injunctive remedy is judged appropriate in light of all circumstances because of time is of the essence or for some other reason.” As for the FARA is a piece of legislation that is not well known outside the lobbying community, the standard usual procedure is that when evidence of intent is not perceived, the DOJ sends a letter advising

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71 Fong, Phyllis K. op. cit. p. 765
72 Department of Justice. 2062. Foreign Agents Registration Act Enforcement. op. cit.
73 Ibid.
the person of the existence of the FARA and the possible obligations, citing and providing
the information that prompted the inquiry. Based on the Department’s experience, this
inquiry letter proves to be an effective tool, as the majority of people contacted respond
in a reasonable period of time and either register or convincingly provide evidence as to
why they are not agents or why they are exempt from the obligations. However, should
there be no or a seemingly false response to the inquiry letter, and the administrative route
is chosen, then there are two alternatives left: either to refer the case to the FBI, which has
the responsibility and authority for investigation related to the FARA, or to close the
matter by warranting additional action based on sufficient evidence. Either way, the DOJ’s
inquiry letter will have reached its purpose by notifying the recipient of the existence and
provisions of the Act, the follow up actions is not among the Department’s duties.

In spite of the efficiency of this measure, there are still certain issues and flaws in
the enforcement of the Act which are perceived by Justice Department, that is why
encouraging voluntary compliance is arguably the most important aspiration of the DOJ’s
Registration Unit. This motivation is manifested in the administrative function of
providing forms, with copies of the Act, and general guidelines for responses to the firms
and individuals registered, as well as to the members of public. Furthermore, a more
proactive approach and outreach is included in the efforts to the primarily professional
communities from which most of the lobbyists usually come, along with the informing
and education of prosecutors, besides Departments and Agencies interested in the policies
and the operation of the Act. Also, the Registration Unit has established several routine
enforcement initiatives, “from reviewing a wide range of publications for indications of
activities by unregistered agents to reviewing the filings of registered agents and
conducting audits or inspections of their books and records.” This indicates and
supplements the informative nature of the Department’s enforcement methods, for it is
clear from these different concrete proposals that the execution of the Act itself is taken
proactively, and the number one priority of the DOJ through the Registration Unit is to
maintain legal compliance and a coordinative spirit rather than focus solely on the
infringements and their punishments.

74 Ibid.
75 Ibid.
The overview thus of the place, driving considerations behind, administration, and enforcement of the Foreign Agent Registration Act all show that the Act has successfully been integrated in the legal and political system of the U.S. during its 80-year-long existence, and also supplement the argument that the activity of lobbying and the deliberations of national security and transparency can indeed be reconciled, specifically, through the ground-breaking public disclosure regime and associated administration and enforcement of the FARA.

3. Relevant Cases of Lobbying: How Has the FARA Faired? In What Ways Has It Failed?

Analyzing how foreign agents exert foreign interest into the political system of the United Stated through the lens of the Foreign Agents Registration Act, it is inevitable to provide the domestic legislative and executive background of the Act to examine the foreign politics aspects and projections of it. Naturally, a state cannot carry out a foreign policy without the basis that domestic politics provides for it, therefore, the path to the foreign politics of a country leads through domestic polity and the public legal architecture, which, in the case of the U.S., is the framework that the FARA lays down. This chapter deals with concrete instances of foreign agent lobbying in the United States by presenting relevant cases of different types of lobbying methods by different types of influence groups and foreign interest-exerting entities. The first section will examine and look at the more traditional ways of lobbying methods by shining light on how ethnic minority interest groups altered and shaped the way the United Stated approached different foreign policy areas, while the second section takes a look out how these traditional means have developed over the past decades to be named non-conventional in today’s scholarly literature. The 2016 presidential election will be mentioned as a relevant and relating example for the description and analysis of these methods, as the influx of foreign interest could be observed during the process, but in a much more sophisticated and confusing manner than previous experience shows. Finally, the third section aims to provide an evaluation regarding the success and effectiveness of the Foreign Agents Registration Act.
3.1. Conventional Means

Differentiating the ways that a political system – be it the executive or the legislative branch of the government that is based on the separation of powers – can be lobbied in the conventional or traditional sense proves to be problematic, as conventionality is determined by its dividend, unconventionality, or non-conventionality. Therefore, to put it in a lobbying context, the traditional or conventional way of carrying out lobbying activities means exerting influence on the government in a form that it will alter its original interests in favor of the interest of the party that initiated the whole process. As Mayer puts it regarding the legislative branch, “interest groups may try either to convince a legislator that the group’s position matches the legislator’s personal policy preferences or to shift those preferences to better align with the group’s preferences.”

In this respect, the existing scholarship agrees on the fact that tools with which legislation can be lobbied are the most distinct out of the three branches of government, as these officials can be pressured with their own desired policy results, the goals that are desired by the ones they represent – that is, their constituents –, their desire of power and authority within the legislature and also to be reelected, along with additional self-interested desires. Even though these points provide ground for significant success, the diversity of interests might even come in handy for the officials, as they can play different interest groups off against each other. Officials and members of the executive branch can have similar concerns and pressures, as they also have to keep in mind their own personal policy preferences, as well as the views of their constituents, who, in this case, is the entire nation. The President and the senior executive officials will be concerned with the interests of those groups that form their electoral basis, for keeping those issues on the agenda will help them win a second term. As for the judiciary, it is generally agreed that interest groups of all kinds aim to use the courts to reach their goals, but for life-tenured federal judges lack the concerns that of the legislature and executive branch members, it is assumed that they are more immune to interest group influence.

It can thus be seen then that elected government officials, simply because of the electoral mechanisms of a democracy like the United States, provide points of pressure

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76 Mayer, op. cit. p. 523
77 Ibid. pp. 523-530
that can be exploited by interest groups and lobbying agents who specialize in this area. Conventional means of lobbying, therefore, include every possibility and tool with which these entities can successfully and effectively exert their influence on the members of the government in order to exploit these points for their own, or their principal’s benefit, as a registered lobbyist or agent under the statutes regulating lobbying activities. As it will become more evident from the examples below, money and the capacities it provides is the quintessential resource that is indispensable to successfully lobby an elected official of the government. With the right resources – both quality- and quantity-wise – at one’s disposal, ways of influencing government actions can range from suing government agencies to commenting on executive branch rulemaking to urging legislators to propose legislation. To put the importance of money into perspective, the Center for Responsive Politics’ money-tracking website comes into the picture, because based on the data they provide, the total yearly expenditure on lobbying and the total number of registered lobbyists can be constructed between the period of 1998-2017. According to their numbers, a mesmerizing amount of around $53,2 billion was spent in total, and $2,6 billion on average on lobbying in those years – the total sum constitutes 0,3% of the U.S.A.’s GDP in 2016, based on the World Bank’s data, while approximately 12 thousand lobbyists operated during these 10 years on a yearly average. It is astonishing to see that the amount of $1,45 billion in 1998 more than doubled to $3,36 billion by 2017 – this is a clear sign of how important it has become for organizations, businesses, companies, countries and other entities to spend unbelievable amounts of money on influence exertion in the U.S.

3.1.1. Ethnic Lobbying Activities in the U.S.A.

The ethnic diversity and the variety of interests stemming from it have already been touched on in the introduction part of the thesis, but it is time now to turn more attention on it, as the role of ethnic interest groups cannot be omitted when examining foreign agent lobbying in the United States. Lindsay argues that “in America, global

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78 Ibid. p. 487
politics is local politics – and local politics, often, is ethnic politics.”

This quote implies the role and importance the U.S. plays in the international arena, blurring the already blurred line further between domestic and international politics. There is an ongoing debate in scholarly literature about whether the effect of ethnic interest groups concerns the foreign policies of the U.S.A. in a negative or positive way, but one thing is certain: these organizations show active contribution to the development of the foreign politics of the United States.

As far as Ambrosio is concerned, ethnic lobbies can be defined as “political organizations established along cultural, ethnic, religious, or racial lines that seek to directly and indirectly influence U.S. foreign policy in support of their homeland and/or ethnic kin abroad.” The connections on which they can rely to receive possible funds range nearly all the times outside of the United States, as they are either part of a diaspora of another nation living in the country with ethnic kin in their historical homeland or spread among numerous countries. These groups primarily seek to influence policy in three different ways: framing, information and policy analysis, and policy oversight, and these three roles allow them to have an impact on the early stages of the decision-making process, be it the drafting of a bill, or the support or opposition of candidates during elections. From the FARA-oriented point of view of the thesis, one of the most important aspects that constitute the success of these ethnic influence groups is the they are indeed U.S. citizens, and as hyphenated Americans – for instance, Italian-Americans, Cuban-Americans, or Indian-Americans – they are the connections between the distant origin country and the new home, even though they might only be multiple-generation descendants. Citizenship is the key really, for enjoying this legal status they do not exert their influence as a foreigner or as an agent of a foreign principal, for example, a government; therefore, they do not fall under the authority of the Foreign Agents Registration Act, and they can carry out their activities without having to register or disclose anything to the public. Other elements of ethnic

83 Ibid.
84 Marton, Péter: A külpolitika elemzése. Antall József Tudásközpont, Budapest. 2013. p. 120
lobbying comprise economic power, namely, whether the average salary of the members of the community exceed that of the whole population; geographical position, which is an essential factor of mobilization; the existence of counterforce and the performance of it; group cohesion, that is whether they can step up collectively and consistently for the common goals of the community; effective horizontal networking, or bonding and bridging – where bonding relates to the mentioned requirement of group cohesion, and bridging is the expediency of harmonized appearance with other social groups; nonpartisanship; and the ability to compromise, as well as compatibility with the foreign policy goals of the U.S., being able to affect both the administration in the White House and Congress, and additional factors, such as developing relationships between members of the community and the legislators and policy-makers through an official ethnic lobbying group.

The concerns stemming from the outcome of the work of these groups has already been touched upon, as there are fears that American foreign policy will be driven – or even fragmented – by the pressure of ethnic groups that are relatively few in number. “For a country that draws its citizens literally from around the globe, the United States is host to remarkably few ethnic foreign policy lobbies,” to which, to name a few, the Cuban American National Foundation (CANF), the American Israel Public Affairs Committee (AIPAC), or the US-India Public Affairs Committee (USINPAC) can be mentioned as examples.

The above listed ethnic organizations, unsurprisingly, all represent their respective ethnic groups for which there has been foreign policy issues and goals of tremendous significance in the past decades. To provide an in-depth case analysis of each entities’ activities with their respective desired goals is beyond the scope and limit of this study, and scholarly literature abounds in these anyway. Instead, the subject and the circumstances of these successes are to be mentioned: the Cuban American Foundation held a unique and privileged relationship with the federal government

86 Wittenberg – Wittenberg, op. cit. pp. 13-20
87 Marton, op. cit. p. 123
88 Lindsay, op. cit. p. 38
during the 1980s because the Reagan administration’s approach to Latin America through the rollback of communism almost perfectly coincided with the worldview of its leaders\(^89\); Asian ethnic groups were not in the center of scholarly research until recently, when the groundbreaking work of the US-India Public Affairs Committee and other American-Indian organizations managed to influence congressional support for an exceptional and controversial bilateral nuclear agreement between the U.S. and India in 2005 and 2006, which also saw this community’s emergence as one of the most important ethnic communities seeking influence over U.S. foreign policy in the 21st century\(^90\), or, last but not least, the Israel-lobby, which is often mistakenly referred to as the ‘Jewish’ or ‘Jewish-American’ lobby – mainly by anti-Semitic voices\(^91\), and which has been in the forefront of attention ever since the founding of Israel for its special if not extraordinary relationship with the United States. This special recognition is due to the fact that it is not fully an ethnic gathering, for other segments of American public life represent themselves in it via their mobilizing forces, and that it has been in the center of ongoing heated debate between scholars\(^92\) whether the Israel policy of the U.S. is clear evidence of the influence-exerting power of this lobby group.\(^93\) Further ethnic lobbying organizations include, inter alia, the Assembly of Captive European Nations (ACEN)\(^94\), the Public Affairs Alliance of Iranian-Americans (PAAIA)\(^95\), the Kashmiri American Council of the Pakistani lobby with military secret service and

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\(^91\) Marton, op. cit. p. 118


\(^95\) Marton, op. cit. p. 123
intelligence ties\textsuperscript{96}, or the Formosan Association for Public Affairs (FAPA), that is the Taiwan-American lobby\textsuperscript{97}.

\section*{3.2. Non-Conventional Methods}

Basically, the distinction between conventional and non-conventional methods of lobbying cannot be drawn clearly, as there are elements to the latter activities that are just as much present in the former ones. When discussing unconventional means of influence-exertion, shadow lobbying, counteractive lobbying, and unorthodox means, such as lobbying by the local governments can be mentioned, along with the latest phenomenon of altering the public opinion via the social and regular media.

According to the findings of the Sunlight Foundation, shadow lobbying simply refers to a lobbyist who chooses not to register but still performs advocacy to influence public policy-making, most often former members of Congress or public officials. The reason for the existence of this malfunction originates from the loopholes that were still not closed by the Lobbying Disclosure Act of 1995, so this exercise can be less associated with foreign agent lobbying.\textsuperscript{98} While counteractive lobbying does not differ exceedingly from lobbying in general, its notion is that not only do groups lobby friendly legislators to offset the lobbying efforts of opposing groups, there are also groups that change the course by lobbying unfriendly legislators or public officials to reach their desired goals.\textsuperscript{99}

One of the most surprising direction of lobbying is when local governments – cities – lobby the federal governments when the national political landscape provides more opportunities for success for them, or when they are purely in need of more power due to local economic distress; to put this into context, “Texas cities spent $17 million on professional lobbying in Washington from 2006 to 2010, […] the city of Carrollton, Texas, spent $500,000 lobbying the federal government, […] an amount that may be

\textsuperscript{97} Marton, op. cit. p. 119
surprising to many of the city’s one hundred thousand residents.”\textsuperscript{100} However, one of the most relevant and still ongoing conflicts driven by non-conventional lobbying mechanisms reaching the level of international politics is the alleged Russian meddling into the presidential election of the United States in 2016.

3.2.1. Russia Today and the 2016 Presidential Election

To approach this topic in a reverse time order and state the most astounding element – in terms of non-conventionalism – of the whole issue, the events of November 2017 have to be mentioned, that is when the Russian state-owned American media outlet, RT – formerly known as Russia Today – registered themselves as foreign agents with the Justice Department under the FARA after a months-long back-and-forth between the two parties. The DOJ reasoned that the outlet is required to register by U.S. law as an agent of the Russian government, which, of course, is disputed by the Moscow-headquartered website and television channel, suggesting that their services only offer alternatives to mainstream news coverage. The basis of the Department’s reasoning is the phenomena of Russian propaganda pouring into the United States more and more, and on a concentrated level during the 2016 presidential election and campaign, when thousands of social media accounts linked to the Russians and posed as Americans articulated their opinions, which is considered to be an interference with the U.S. election, and ultimately helped now-President Donald Trump get elected.\textsuperscript{101} The influx of Russian propaganda is not the creature and vision of the American media, as the FBI, the National Security Agency (NSA), and the Central Intelligence Agency (CIA) collectively investigated the dumping of Russian-created information into the U.S. within the frameworks of Office of the Director of National Intelligence (ODNI), and in their report it is stated that there is direct evidence that the developments in the outlet’s budget and structure “point to the channel’s importance to the Kremlin as a messaging tool and indicate a Kremlin-directed campaign to undermine faith in the US Government and fuel potential political


protest.”¹⁰² What is more, the investigation came to the following conclusion of high confidence:

“We assess Russian President Vladimir Putin ordered an influence campaign in 2016 aimed at the US presidential election. Russia’s goals were to undermine public faith in the US democratic process, denigrate Secretary Clinton, and harm her electability and potential presidency. We further assess Putin and the Russian Government developed a clear preference for President-elect Trump.”¹⁰³

This means that a foreign country through its agent exerted influence of such a magnitude that in the end had a significant role in the outcome of the presidential election in the United States, via means that the FARA purely could not control. Although the Russian-controlled social media accounts and the propaganda have to be separated from each other, these combined together created a mix of propaganda and absolutely non-conventional lobbying in effect that is extremely difficult to reach even for lobbyists operating with conventional means.

3.3. Rating the FARA

Measuring and completely understanding the success of a piece of legislation poses a complex question to which providing a well-supplemented answer is extremely difficult, and when discussing how successful the FARA has been in terms of regulating foreign interest being exerted into U.S. public life, the situation is not different. After placing the focus on the relevant aspects of transparency, national security and actual cases of lobbying, it is now worth to look at the seemingly ordinary question of how long this piece of legislation has simply been operating and regulating the work of foreign agents. Doing the math does not pose much difficulty: the FARA was enacted in 1938 and has been the integral part of the American law system ever since, which covers exactly eighty years, and counting. It is then celebrating a nice jubilee of existence this year, but a statute is judged by how successful it regulates the particular policy field rather than by how many ‘birthdays’ it has seen. Still, the fact that a law has been in effect for

¹⁰³ Ibid. p. ii
almost a century now gives a clear signal and serves as a measure regarding its effectiveness, applicability, and reasonableness. Naturally, it would be an exaggeration to say that the Act has stayed in the same exact form it was adopted in, as the Amendments of 1966 have already been discussed earlier, it would have been purely obscurant and inconsiderate of legislation not to adapt to the changes of both domestic and international politics that have occurred since the end of the 1930s.

Public disclosure and transparency-wise the FARA can also be considered a success, as its provisions and obligations, along with its administration have established a regulative system that enables the public to have up-to-date knowledge on the foreign lobbying processes in the U.S. The semi-annually published supplemental forms and Congressional reports of the Attorney General assure the government’s accountability by the public, and the effect of these publicly accessible documents is vastly amplified by the work that the two mentioned NGOs, the Sunlight Foundation and the Center for Responsive Politics, carry out. These non-governmental organizations ensure respectively that the public is adequately briefed about the changes that happen in lobbying registrations, and the money circulating in U.S. politics through lobbying expenditures.

The one, but extremely important aspect in which the FARA can be criticized to be considerably unsuccessful is the possibility of its deliberate circumvention by influence groups. This can be manifested in different forms, and the already mentioned ethnic organizations and Russian propaganda are only the outcomes of these non-compliant ways. The FARA can be circumvented through ethnic minority lobbying if there exists an own diaspora group of the particular community in the United States; it can also be omitted via the insinuation into the sphere of the U.S. media like the Russian propaganda outlets do; the evasion of the Act can be carried out by sources of unexpected nature, such as think tanks and therefore, the members of academia; and finally, a country can successfully lobby U.S. foreign policy of public opinion while circumventing the authority of the FARA if they have a transnational company operating there that can allocate funds for PR-activities, for instance.

Since the ethnic groups are organized by American citizens who also have genealogical ties to another nations, they are simply not the subjects of the FARA, which means that the Act’s reach can only extend as long as foreign influence can be proven on
legal grounds, that is via the already mentioned administration and enforcement processes. The fact that none of these ethnic organizations have ever registered themselves to be on file of the Registration Unit of the Justice Department proves and shows the inability and failure of the Foreign Agents Registration Act to successfully regulate ethnic minority lobbying in the United States. Such is the case with problem that could be seen through the case of RT, as the effect of the information-altering activities carried out by this outlet simply cannot be eradicated by requiring them to register. It is true though that the negative influence can substantially be reduced by moving them within the reach of the FARA in the future, but this too is an aspect which has proven to be the Achilles tendon of the Act, as it exposes the operation of the whole state to considerable national security risks. The problem of think tank lobbying is probably best shown through the example of the lobbying motivations of Azerbaijan when through the US Azerbaijan Chamber of Commerce, they aimed to exploit the credibility of Brenda Shaffer, a scholar and often-quoted expert in the field of energy politics. Shaffer was the former director of Harvard’s Kennedy School of Government’s Caspian Studies Program, an initiative that was set up in 1998 by a $1 million grant from the Chamber of Commerce and a consortium of oil and gas companies having commercial interests in the Caucasian region. Shaffer, currently working at Georgetown University, published several op-eds advocating for more U.S. attention on Azerbaijan and depicting a constantly positive picture about the status of democracy in the country, despite serious concerns of the rigged election system and human rights abuses. Her status was shed light on by a 2006 article focusing on how lobby groups aim to utilize influence and authority of scholars, which also brought into the center of the attention the role and responsibility of think tanks and renowned newspapers, for they kept on publishing and inviting Shaffer regardless of these lobby-ties accusations. Naturally, the US Azerbaijan Chamber of Commerce is not a registered agent under the FARA\textsuperscript{104}, consequently, the bypass of the Act can be caught and observed.

\textsuperscript{104} Bruckner, Till: How to Build Yourself a Stealth Lobbyist, Azerbaijan style. Organized Crime and Corruption Reporting Project. 22 June, 2015
Conclusion

This thesis and study has examined foreign agent lobbying in the United States of America through the scope of the Foreign Agents Registration Act of 1938, as lobbying in general, and foreign lobbying specifically, constitute constant importance and relevance in the public life of the U.S. The place the United States holds within the international system and hierarchy predestines the country to be in the crossroads of conflicting interests both on the domestic and the international level, therefore, effectively and thoroughly regulating this field of public life is of prime importance.

In the framework of this study, I set out to examine and analyze the role of the FARA in the lobbying-regulation system of the United States through national security and transparency considerations, and how these can be reconciled with the influence and effect foreign agents exert when lobbying in the U.S. political architecture. I aimed to prove that the Act reached its goal of regulating foreign interest by establishing a disclosure regime that is driven by the notion of transparency, therefore, placing in the center the national security concerns and challenges that the country faces; however, it fails to effectively regulate external interest-exertion coming from inside the political system through different actors circumventing the FARA. I am certain that the research I have conducted presents relevant and supplementing evidence to this idea, and also, verifies it through the divergent composition of the study. As it can be seen, scholarly literature and attention abound in this field of international political and public policy research, which allows for the meticulous and thorough examination of the topic of lobbying. This manifested in the careful investigation of how the regulation background of foreign lobbying developed starting with the Foreign Agents Registration Act and what provision it brought about, how this piece of legislation is administrated and enforced by the interconnected and interdependent operation of the legislative and executive branches of the Government of the United States, and how much it can shield the interests of the U.S.A. against foreign influence pouring into its politics in a number of different means and on wide-ranging levels.

Fields of future research in the topic of foreign lobbying in the U.S. might include the comparison of different international and national-level lobbying regulations, for example that of the European Union, with the Foreign Agents Registration Act, or an in-
depth analysis of foreign lobbying expenditures circulating in U.S. politics and between which branches of the government they are divided, also looking at the success rate compared to the amount of money spent in total on lobbying. Moreover, the origins and motivations behind grassroot foreign interest movements could be elaborated on more deeply, as well as the situation and status of the so-called ‘value groups’ could be put under deeper investigation, which is a special category of interest groups whose members advocate for the interests of others, such as human rights organizations.\textsuperscript{105}

To conclude, in such a politically, ethnically, and socially diverse nation as the United States, lobbying will always play a huge role in the formation of public policy-making, and it does not seem likely just yet to downgrade the country’s significance and leadership in the international political system, although there are signs pointing in that direction. Therefore, aiming to create a perfect regulation system by placing between legal boundaries influence-exertion on politics in an arena of such a huge diversity of interests seems to present an impossible task. The FARA is certainly not able to meet this requirement perfectly successfully, nor are the subsequent regulations with the commonly mentioned loopholes they still contain. However, they come as close to it as they can, so for there is always ground for improvement, the possibility of a future amendment that furthers the reach of the FARA cannot at all be ruled out. The judgment over the reasonableness and efficiency of the activity of influence-exertion or lobbying varies from person to person and is a particularly subjective question, but whatever its results are in the U.S. political system, it is fair to say that it has become an inevitably integral part of the American public life, with foreign agent lobbying always in the center of controversy and international political motivations of changing the foreign policy status quo in the United States of America.

\textsuperscript{105} Marton, op. cit. p. 111
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