Informational Lobbying with Multiple Advisers

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Abstract

Decision makers often rely on advisers for the provision of information in order to make a more informed decision. This thesis provides a formal model that explains under which conditions a decision maker consults multiple advisers. The main reason to consult multiple advisers is to be more sure that the information that is provided by the advisers is actually correct. Although the model that we provide does not perfectly correspond with the case study of Dutch tobacco lobbying by Philip Morris, the value of the model is that it shows a pure size effect of the number of advisers on the value of the information. The more advisers provide information, the more factual the information becomes. It is thus rational for firms to ask multiple advisers to provide information to national politicians, as it becomes more likely that these national politicians are persuaded to change any given policy.

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1 Introduction

In May 2012, Philip Morris Holland B.V. (the famous producer of Marlboro) attempted to influence Dutch national politicians in order to stop the implementation of a tax on tobacco products. Philip Morris sent a letter to local politicians of the council of Bergen op Zoom containing arguments against the tax. It was Philip Morris' hope that the local politicians (which would serve as lobbyists) would then take the content of this letter to send a message to national politicians who have the power to withdraw the tax. Although we know that lobbying exists, it is not always clear how it is done specifically. In this thesis, we analyze a case where it is perfectly clear in what way Philip Morris attempted to influence the Dutch government. The specific phenomenon that makes this case special is the fact that, instead of sending the letter to only one local politician, Philip Morris decided to send the letter to all local politicians of Bergen op Zoom, irrespective of their party.

This thesis provides a game theoretical model that explains why power holding individuals prefer to ask multiple advisers for advice. We show that under certain conditions, there is indeed a reason for decision makers to ask for information from multiple advisers. The formal model is then applied to the case study of Philip Morris, in order to see how large the explanatory power of the model is. It is not the objective of this thesis to provide an understanding of all the details of the case study, but the model is developed and utilized in order to explain some specific characteristics of the case study, namely the fact that multiple advisers (or: lobbyists) are used instead of a single one.

The theoretical relevance of this thesis is that it adds to the scientific literature on lobbying in general; on tobacco lobbying; and on cheap-talk models with advisers and decision makers. There already exists a significant amount of literature on this topic, but the thesis is still highly relevant as it shows a pure size effect in the amount of advisers. The added value is also that a case study is attached, so that a good illustration is provided on how the model might work in specific cases.

Also, the thesis is valuable for the general public in a democracy, as it provides an explanation of how lobbying works, and how firms try to influence politicians to further their self-interest. Especially in a democracy, it is clear that the public should be aware of how lobbying works, and which actors actually hold the power to change and implement policies. Some of these policies could have huge effects on how people run their lives, and on the quality of their lives.

The structure of the thesis is as follows. In the next section, we provide a short literature review. In the third section we develop and explain a model with a decision maker and two advisers. In the fourth and fifth section respectively, we explain the case study and apply the model. We end with some concluding remarks in section (6).

2 Literature Review

The thesis builds on both the theoretical literature on lobbyists and models with advisers and decision makers, and on the empirical literature that describes and analyzes how tobacco companies try to persuade policy-makers to further their self-interest.

2.1 Theoretical Models

There are numerous political-economic articles which provide models to understand the strategic considerations of advisers and decision-makers in situations where advisers provide policy-relevant information (Crawford & Sobel, 1982; Calvert, 1985; Sobel, 1985; Milgrom & Roberts, 1986; Potters & Van Winden 1992, Potters, Sloof, & Van Winden, 1997). The model that we provide below is in particular an extension on Swank's (forthcoming) cheap talk model with soft information which analyzes how a decision maker and adviser operate in the so-called *DM-A-game*. Swank draws several important conclusions from the several equilibria of the game-theoretical model. The article shows which adviser is optimal from the perspective of the decision maker, also taking into account that there exists uncertainty about the adviser's preferences. Furthermore, it shows that in a dynamic model advisers may alter their behavior to build a reputation. In addition, it shows that from the perspective of the firm, the best adviser is the one that is able to persuade the decision maker. This is opposed to the *ally principle* which entails that a decision maker prefers an adviser with similar preferences. Swank, Letterie and Van Dalen (1999) analyze a model where there is specialization in the collection and transmission of information. Beniers and Swank (2004) show that, depending on the cost of information collection, different advisers are optimal from the perspective of the decision maker if he wishes to make an informed decision. Dur and Swank (2005) show the strategic consequences of the fact that it is unclear how much effort advisers have put in acquiring information. Also, they show the strategic effects of the existence of biased advisers, as they have an incentive to manipulate information.

2.2 The Number of Advisers

With respect to this thesis, Becker (1983) shows in a different type of model than the DM-A-model that the number of persons within each pressure group affects "political equilibrium", i.e., the decisions that are made by policy-makers. Becker's model, however, shows an indirect effect of the number of advisers, via the 'efficiency' of a pressure group. The same holds for Van Schendelen (2013), who also describes an indirect positive effect in terms of the likelihood of success with a larger party, as a larger party can share the costs of lobbying among more parties (p. 62). This thesis however shows a direct and pure strategic effect of the number of advisers on the chance of success of lobbying.

2.3 Tobacco Lobbying

In addition, the thesis links the model with a case study. The case study is not the first one in researching the efforts of tobacco firms in influencing policy-makers.[1] Jacobson et al. (1993) show—with several case studies—that tobacco companies were successful in achieving tobacco-friendly policy by shaping the debate. Monardi and Glantz (1998), Givel and Glantz (2001), Morley et al. (2002), and Givel (2006) show empirically that throughout the 1990s, the tobacco lobby was very successful in achieving its goals in the US state legistatures. Tobacco producers used lobbyists, campaign contributions, and gifts in order to persuade policy-makers to lower tax rates and loosen regulations. Sweda and Daynard (1996) show that tobacco producers also use their power to intimidate individuals and local governmental bodies. Additionally, they set up so-called 'front groups' and spent a large amount of money to frame the public debate. Furthermore, it is shown that tobacco companies even used financial resources to influence scientific research. There is also research done in the Netherlands; Gonzalez and Glantz (2011) show that tobacco producers also influenced Dutch policy-makers with regards to stopping the implementation of a strict regulation of smoking in bars.[2]

3 The Model

3.1 Introduction

The central question of this thesis is the following: is there a reason for a decision maker to hire multiple advisers? We show that under certain conditions, decision makers do have reasons to consult multiple advisers. We look at a model with a decision maker who has two advisers at his disposal, where the interests of the decision maker and the advisers are not perfectly aligned. The decision maker has several options. He can ask no adviser, he can ask one adviser, or he can ask two advisers sequentially or simultaneously. This has several implications in the sense that we assume that there are some costs involved with asking for advice and this could also result in different strategies of the advisers. At every point in the game, the decision maker chooses to implement the project or to hire an additional adviser if there is still one available. It is not always profitable to ask for advice, as an adviser is costly. One can immediately notice that, without any costs, there is no reason to *not* hire an additional adviser.

Both advisers know the strategy of the decision maker and can therefore anticipate the course of action he takes contingent on each message. Both advisers can individually

[1] This section provides an overview of empirical studies on the influence of tobacco companies on policy-makers. For a survey of empirical articles that show the effects of interest groups on policy makers on other issues besides tobacco-policy, see Potters and Sloof (1996).

[2] See also Ash (2011) for an overview of more empirical literature on tobacco-lobbying.

decide to send a positive or negative message. A third option is to say that they do not know whether the project should be implemented. The decision maker needs to choose whether he consults a given adviser, but he cannot choose the adviser from a large supply of advisers. This means that in some occasions, an adviser is too biased, and the adviser's message is ignored.

To make this model work, it is necessary to assume that there is an informational asymmetry and to assume that information is soft. The advisers have more information on the state of the world than the decision maker. A reason might be that advisers have more time at their disposal or more expertise to check whether a given statement is true, while the time of a decision maker is scarce and he cannot afford to spend time on verifying any given statement, or a decision maker has no expertise on a certain issue, while advisers could specialize themselves. The decision maker therefore relies on his adviser.

A message then contains information about the state of the world. To be sure, an issue almost always has several relevant dimensions (e.g. economic, social, moral). However, all of these dimensions should in theory be reducible to a single dimension, as every dimension affects whether the project should be implemented, which ultimately is the only relevant dimension for the decision maker.

There is a risk of following advice, as we assume in the model that there are two types of advisers. An adviser of the good type has knowledge on the state of the world, while an adviser of the bad type does not have this knowledge.[3] A message from a bad adviser therefore contains no information; it only says something about her predisposition toward the project. The adviser knows her own type, but the decision maker and the other adviser do not know the adviser's type. The decision maker does know however how many advisers are of the good and bad type. He can therefore calculate the expected value[4] of the message and decide whether to follow the advice accordingly.

The dynamic model is played only once, which means that there are no long run considerations for both advisers and the decision maker. Both choose optimal strategies for the game without looking at the future. This means that, even though the decision maker incurs a cost when he hires an adviser, the cost plays no role for the strategy of the advisers. Even when we assume that the monetary payment is transferred from the decision-maker to the advisers, this monetary benefit does not affect the strategy of the advisers with regard to which message she sends. We therefore only look at the effect of the cost on the choices of the decision maker.

[3]In other words, the good type receives a signal with information, while the bad type does not.

[4]This means that the information from a bad type's message has no value, while a good type's message does have information.

3.2 The DM-A Game with Two Advisers

Consider a situation where a decision maker, P, has to make a decision on a project X. P has to make a binary choice regarding X; he can implement the project ($X = 1$) or he can maintain status quo ($X = 0$). There exists uncertainty about the profitability of the project. In addition, once an adviser is hired, a cost is incurred by P. The payoffs for P are

$$U_P(X = 1) = p + \mu - nc; \tag{1}$$

$$U_P(X = 0) = 0 - nc, \tag{2}$$

where p is P's is predisposition towards the project, and μ is a stochastic term to describe the uncertainty about the project. μ is uniformly distributed on the interval $[-h, h]$. n is the number of advisers that are hired, and c is the cost per adviser ($c \geq 0$). By normalization, the payoff of not implementing the project is equal to zero, minus the costs of hiring the advisers. In this model, we assume that $-h < p \leq 0$, so that P is initially predisposed against implementing the project, and the project is only implemented when P hires one or more advisers which send a convincing positive message.[5] This means that $p + h > 0$, which means that P is able to make a wrong decision (namely, when $-p < \mu \leq h$). This also means that some advisers are able to convince the decision maker to implement the project.

Before P makes a decision, he can consult an adviser $A_i (i \in \{L, H\})$, if he believes that asking for advice is profitable. This adviser observes the value of μ if she is of the good type. The payoffs of the advisers are as follows:

$$U_{A_i}(X = 1) = a_i + \mu; \tag{3}$$

$$U_{A_i}(X = 0) = 0. \tag{4}$$

The adviser A_i has a predisposition a_i towards the project, and her payoff is also determined by μ. There are two advisers: A_L and A_H. Both advisers could be of the good or the bad type. The probability that a given adviser is of the good type is β and the probability that she is of the bad type is $(1 - \beta)$. We assume that every adviser, once she is asked for advice, can send one out of three messages: $m = m_g$ means that the project should be implemented; $m = m_b$ means that the project should not be implemented; and $m = m_s$ means that the adviser says she is "stupid" and does not know the value of μ.[6]

[5] Without loss of generality, the results of this model also hold when the decision maker is in favor of implementing the project, and the advisers are not.

[6] Swank (forthcoming) shows that it does not matter which message contains what information, as long as players understand each other. If both players perceive for example that $m = m_b$ means that a project should be implemented, then that is an equilibrium as well. In addition, there is also an equilibrium where the adviser sends a message irrespective of the value of μ and P ignores the message. No player has an incentive to deviate then, but this equilibrium is very unstable (Swank: forthcoming). We ignore these equilibria here.

Table 1: Setup of the DM-A Game

Players: A_L, A_H, P

Timing:

- Nature draws μ from the uniform distribution with range $[-h, h]$, and chooses player types with Pr (*good type*) $= \beta$
- P chooses $\{\emptyset, A_L, A_H, A_L \text{ and } A_H\}$ and incurs nc
- A_i of the good type observes μ, but P and A_i of the bad type do not
- A_i sends message $m \in \{m_b, m_g, m_s\}$ to P
- P observes m, takes decision $X = \{0, 1\}$ or hires an additional adviser and incurs c
- If an additional adviser is hired, she also sends message $m \in \{m_b, m_g, m_s\}$ to P
- P observes m, takes decision $X = \{0, 1\}$

Payoffs:

Decision maker: $U_P(X = 1) = p + \mu - nc$; $U_P(X = 0) = 0 - nc$
Advisor: $U_{A_i}(X = 1) = a_i + \mu$; $U_{A_i}(X = 0) = 0$

In the beginning of the game, P can choose to hire no adviser, adviser A_L, adviser A_H, advisers A_L and A_H simultaneously or sequentially. In this game, we assume that A_L and A_H do not have different preferences regarding X ($a_L = a_H$), so that it does not matter which adviser is asked first and which second, and both messages from both advisers contain the same information if they send their message at the same decision node. We assume that players are rational, and choose equilibrium strategies; players update their beliefs optimally according to Bayes' rule. Once a message is observed by P, he can calculate the expected value of μ, based on the values of β, a and h.

3.2.1 No Adviser

First it is interesting to see what happens when no adviser is available or when P decides that asking for advice is not profitable enough. One equilibrium exists, where P chooses to retain status quo ($X = 0$). This result is quite easy to grasp:

Proposition 1 *Suppose $p \leq 0$. Then in equilibrium, without hiring an adviser, P chooses $X = 0$.*

Proof. Without further information, $\mathrm{E}(\mu) = 0$, wherefore $p + \mathrm{E}(\mu) = p \leq 0$. $U_P(X = 0) \geq U_P(X = 1)$. ■

If no adviser sends a message, then P does not receive any information about the state of the world, and without any further information, P chooses not to implement the project. The first proposition states that when no adviser is hired, in equilibrium the

decision maker always chooses $X = 0$. This result holds when no adviser is available, and also when the adviser is too costly or when a positive message does not contain enough information to convince the decision maker.[7] The first proposition also shows that hiring

Table 2: Assumptions of the Model

Assumptions:

1. $-h < p < 0 < a_L = a_H < h$
2. $c \geq 0$
3. $0 \leq \beta \leq 1$
4. $-h \leq \mu \leq h$
5. $n \in \{0, 1, 2\}$

any adviser must have an expected value higher than 0, because a decision maker obtains a payoff of 0 when he decides to not ask for advice.[8]

3.2.2 One Adviser

The matter becomes different when an adviser is available, so that P can learn something about the state of the world. P chooses $X = 1$ when a positive message contains enough information. First we consider the adviser: what does she do when she knows that she is the only adviser? This is described in the second proposition.

Proposition 2 *Suppose only one adviser is available and the adviser fulfills the communication constraint. Then in equilibrium, the adviser never sends $m = m_s$. The bad type always sends $m = m_g$ and the good type sends $m = m_g$ if $\mu > -a$ and $m = m_b$ otherwise.*

Proof. The good type has no incentive to say that she knows nothing about μ. We have showed earlier that if $\mu > -a$, the good A_i sends $m = m_g$, and if $\mu \leq -a$, A_i sends $m = m_b$. A bad adviser knows nothing about μ, so for her $\mathrm{E}(\mu) = 0$. If P follows A_i's advice, then $m = m_g$ induces $X = 1$, and both $m = m_b$ and $m = m_s$ induce $X = 0$. For the bad type, the following holds: $U_{A_i}(m = m_g) = a > U_{A_i}(m = m_b) = U_{A_i}(m = m_s) = 0$. ■

As the bad adviser is in favor of the project, and because she knows nothing about the value of μ and it is impossible for the decision maker to learn μ by hiring an additional adviser, she prefers to let P implement the project.

[7] In other words: A_i does not fulfill the communication constraint. The communication constraint is explained further in proposition 3.

[8] We assume risk neutrality for all players.

In equilibrium, P anticipates that the bad type always sends $m = m_g$, and therefore P is unsure whether a good message is sent by a good or bad adviser. A good message therefore contains less information about μ.

Proposition 3 *Suppose only one adviser is available. Then P only hires the adviser if* $\Pr(\textit{good type})\Pr(\mu > -a)(E(\mu)|\textit{good type and } \mu > -a)+p)+\Pr(\textit{bad type})(\mathrm{E}((\mu)|\textit{good type and } \mu > -a) + p) - c > 0$. *Otherwise he does not hire the adviser, and does not implement the project.*

Proof. The benefit of following correct advice must be higher than the cost of following incorrect advice and the cost of the adviser. If not, then it is more profitable to choose $X = 0$ in the first stage. ■

The value of an adviser lies in the fact that she sends a positive message which contains enough information to let P choose $X = 1$. This is described in the first term of the equation below, which is the same as the equation of the third proposition.

$$\left[\beta\frac{h+a}{2h}\right]\left(\frac{h-a}{2}+p\right)+[1-\beta]p-c>0. \tag{5}$$

The probability that she is of the good type *and* $\mu > -a$ is multiplied by the payoff of choosing $X = 1$. The second term entails the probability that the adviser is of the bad type, multiplied by the payoff of choosing $X = 1$ (which is p). The second term is a cost, because $p + E(\mu \,|\textit{bad type}) \leq 0$. The third term entails the cost of the adviser, which is incurred irrespective of which message is sent. The value of the good adviser if she sends a negative message is $-c$, because P would have made the correct decision without that advice.

One can easily observe that the profitability of a given adviser depends positively on h, p and β and negatively on c. If p becomes very negative, the probability that he can be convinced by an adviser becomes small, and the value of the adviser diminishes. The effect of a is ambiguous. On the one hand, an increase in a increases the likelihood that he sends $m = m_g$ if she is of the good type, but on the other hand, it decreases the expected value of μ. The optimal value of $a = p$, which is shown in other articles, this is known as the ally principle.[9]

3.2.3 Two Advisers, Sequential Advice

With two advisers, the game becomes somewhat more complex. Once P has observed any given message by one adviser in a sequential set-up, he can decide to implement the project, retain status quo, or to hire an additional adviser. He responds differently to each message, so that the strategy of the first adviser also changes. In addition, P

[9] Swank (forthcoming).

may need one or two positive messages, and this may alter his decision making when he decides whether to hire an additional adviser. We assume that adviser A_L is hired first, and A_H second.

First, we explain the easy decisions for P. Once P has observed $m = m_b$, he knows that the message comes from the good type, since an adviser of the bad type never sends $m = m_b$. Choosing $X = 0$ is always more profitable because

$$E(\mu \mid m = m_b) = \frac{-(h+a)}{2}. \tag{6}$$

This means that no additional adviser is necessary, because he learns nothing about μ but does incur cost c. Second, given that $m^1 = m_s$ (m^1 is the first message), and only one positive message is necessary to induce $X = 1$, a second adviser is hired if the payoff is higher than 0. This payoff is the same as the payoff where only one adviser was available. This has already been explained above; a second adviser never says that she does not know μ, so the payoff for P is the same as with one adviser. Now we can move to the fourth proposition. It states that a first adviser might have an incentive to say that she does not know μ if she is of the bad type:

Proposition 4 *Suppose the decision maker has an additional adviser at his disposal. Then the first adviser sends $m = m_s$ if she is of the bad type and $m = m_s$ induces the consultation of an additional adviser.*

Proof. If an adviser of the bad type knows that sending $m^1 = m_s$ induces P to consult an additional adviser, then this is also profitable for the first adviser. As she knows that she is of the bad type and that a second adviser of the bad type always sends $m^2 = m_g$, every outcome that results after the second adviser has given advice (weakly) dominates the outcome of sending $m^1 = m_g$. If she sends $m^1 = m_g$, $U_{A_L}(m^1 = m_g) = a$. If the second adviser is of the bad type, the first adviser also achieves an expected payoff of $U_{A_L} = a(\geq a)$. If the second adviser is of the good type and $\mu > -a$, then $U_{A_L} = a + (h-a)/2(\geq a)$. If the second adviser is of the good type and $\mu \leq -a$, then $U_{A_L} = 0(0 \geq a + E(\mu \mid \mu \leq -a))$. There are no potential losses of sending $m^1 = m_s$, but there is a potential gain to be made, when the second adviser is of the good type and $\mu \leq -a$, because then sending $m^1 = m_g$ would induce $X = 1$, which would give an expected payoff to the first adviser of $U_{A_L} = a + E(\mu \mid \mu \leq -a)$, which is lower than 0. ■

This result holds because both advisers have the same preferences. Any advice from a second adviser of the good type is in line with the message the first adviser would have sent if she were of the good type. Additionally, because P is certain that the first adviser

only sends $m^1 = m_g$ when she is of the good type, Bayes' rule states that:

$$E(\mu \mid m = m_g) = \frac{h-a}{2}. \tag{7}$$

This induces $X = 1$ if the adviser fulfills the communication constraint, so that the equation above is higher than $-p$.

In addition, this proposition also states that a bad adviser only admits that she does not know the value of μ if P hires an additional adviser. However, for some values of p, the decision maker needs a positive message from a truth speaking adviser (i.e. an adviser who admits that she does not know μ if she is of the bad type). Then, the whole game breaks down and P chooses $X = 0$ in the first stage. The first adviser no longer has an incentive to admit that she does not know μ when a second adviser is not hired, because sending $m = m_s$ induces $X = 0$. The decision maker anticipates this, and he does not implement the project ($X = 0$) in the first stage.

So far we have assumed that one positive message is enough for P to choose $X = 1$. In some cases however, P needs more positive messages to be sure that $X = 1$ is the correct decision. This is explained in the next proposition.

Proposition 5 *There exists an equilibrium in which one positive message is not sufficient, but two positive messages are sufficient to induce $X = 1$. Then, a bad first adviser always sends $m^1 = m_g$.*

Proof. If two positive messages are necessary to induce $X = 1$, then $m^1 = m_s$ induces $X = 0$, leading to a certain payoff of 0 for the first adviser. There is however a probability that $\mu > -a$, so that the bad adviser prefers $X = 1$. Then a positive message by the second adviser contains information about μ, which is ($E(\mu) \geq 0$). A negative message by the second adviser induces $X = 0$, but it means that the second adviser is of the good type, so that $U_{A1}(X = 0 \mid m^2 = m_b) > U_{A1}(X = 1 \mid m^2 = m_b)$. ■

A second adviser is valuable because there is a probability that the first adviser is of the bad type if $\beta < 1$. The second adviser's positive message has an added value, as it increases the expected value of μ, as there is a probability that the first adviser was of the bad type and the second adviser is of the good type. The more advisers are hired, the higher is the probability that at least one of them is of the good type. When at least one of the advisers is of the good type, then $\mathrm{E}(\mu \mid m = m_g) = (h-a)/2$. The probability that all are of the bad type diminishes, wherefore $\mathrm{E}(\mu) = 0$ has less weight in terms of probabilities.

3.2.4 Two Advisers, Simultaneous Advice

When the decision maker asks both advisers simultaneously, then both advisers know that they are the last adviser, and no adviser is asked afterwards. This results in a different strategy for the advisers, and P adjusts his strategy as well.

Proposition 6 *Suppose that P hires two advisers simultaneously. Then, an adviser of the bad type always sends $m = m_g$.*

Proof. A bad adviser is not better off by sending $m = m_s$, even if she knows that the other adviser is of the good type. If one positive message is sufficient to induce $X = 1$, then it is true that if the other adviser is of the good type, no loss is made, even when $\mu \leq -a$. This is true as P observes both messages, and the other adviser sends $m = m_b$ if she is of the good type, which induces $X = 0$. There is also no loss when the other adviser is of the bad type, because $E(\mu) = 0$, so that $a + E(\mu) = a$. ■

To show that a bad type always sends $m = m_g$, consider three cases from the perspective of the bad adviser. We assume that one adviser knows the type of the other adviser, but P does not, so that the positive messages of the bad types induce $X = 1$. The first case is when the second adviser is also of the bad type, which is shown in table 3:

Table 3: Two Bad Advisers

		Bad A_H		
		m_g	m_b	m_s
Bad A_L	m_g	$\boldsymbol{a; a}$	$0; 0$	$\boldsymbol{a; a}$
	m_b	$0; 0$	$0; 0$	$0; 0$
	m_s	$\boldsymbol{a; a}$	$0; 0$	$0; 0$

Note: Nash equilibria are bolded

If both know that the other adviser is of the bad type as well, then it follows that both send $m = m_g$ (it results in payoff a if it induces $X = 1$). One bad message induces $X = 0$, and two messages of "I don't know" induce $X = 0$ as well. By choosing $m = m_g$ the adviser ensures that payoff a is realized, as the other adviser does not choose $m = m_b$ if she is of the bad type. Both therefore likely choose $m = m_g$ in this case, which is a focal point for both. Of course, $(m_g; m_s)$ and $(m_s; m_g)$ are also Nash equilibria, but they are less likely to occur.

When there is one bad adviser who knows that the other adviser is of the good type and $\mu = h$ (see table 4), sending $m = m_g$ weakly dominates sending $m = m_s$, as both messages induce $X = 1$, resulting in a payoff of $a + h$. It is clear that the good adviser, who knows the value of μ sends $m = m_g$, resulting in an equilibrium of $(m_g; m_g)$.

Table 4: One Good and One Bad Adviser ($\mu = h$)

		Good $A_H(\mu = h)$		
		m_g	m_b	m_s
	m_g	$a+h; a+h$	$0; 0$	$a+h; a+h$
Bad A_L	m_b	$0; 0$	$0; 0$	$0; 0$
	m_s	$a+h; a+h$	$0; 0$	$0; 0$

Table 5 shows that, even when the other adviser is of the good type and $\mu = -h$, the bad adviser does not incur any losses by sending $m = m_g$. This is caused by the fact that P ignores the positive message, and follows the negative advice, which means that the payoff of $a - h$ is never reached in equilibrium.

Table 5: One Good and One Bad Adviser ($\mu = -h$)

		Good $A_H(\mu = -h)$		
		m_g	m_b	m_s
	m_g	$a-h; a-h$	$0; 0$	$a-h; a-h$
Bad A_L	m_b	$0; 0$	$0; 0$	$0; 0$
	m_s	$a-h; a-h$	$0; 0$	$0; 0$

If P needs two positive messages to choose $X = 1$, then there is an extra incentive for the bad adviser to send $m = m_g$, because sending $m = m_s$ is a worse option when the other is of the bad type as well, and also when the other is of the good type and $\mu > -a$. In both cases (see tables 3 and 4), $(m_g; m_g)$ becomes the only equilibrium as the other two former equilibria $(m_g; m_s)$ and $(m_s; m_g)$ now lead to lower payoffs.

After reviewing the sequential and the simultaneous set-up, it is clear that P prefers the first. This is explained in the next proposition.

Proposition 7 *In equilibrium, P always hires the advisers sequentially instead of simultaneously.*

Proof. There are two reasons why this result holds. First, if P observes one negative message, the other adviser's message is redundant. In a sequential setup, this redundant cost is not incurred if the first message is negative, while it is incurred when P hires the advisers simultaneously. Second, as has been shown in the fourth proposition, in some cases in a sequential game, a bad first adviser has an incentive to admit that she does not know μ. This is valuable for P, as positive messages contain more information if only the good type sends $m = m_g$. On the other hand, the sixth proposition showed that in a simultaneous setup, the incentive for a bad adviser to admit that she does not know μ disappears. There are no relative benefits to hire advisers simultaneously, wherefore P always hires one adviser first instead of two advisers simultaneously. ■

3.3 Summary

We have shown that there is an incentive for a decision maker to hire multiple advisers when there is a probability that some advisers are of the bad type and do not know anything about the profitability of the project. A critical assumption here is that the decision maker has less information about the profitability of the project and cannot observe the adviser's type. Because he does not know the adviser's type, a positive message contains less information about the profitability of the project than when only good advisers exist. We have shown however, that a bad adviser has an incentive to speak the truth in some occasions, because the advisers have equal preferences regarding the project, and so a bad type would prefer to delegate the provision of advice to the other adviser. We have shown that multiple equilibria exist, depending on how many advisers are of the good type; the predisposition of the advisers; the preference of the decision maker and the cost of the hiring of an adviser. This cost reduces the scope of communication, because even though a positive message would contain enough information for the decision maker to implement the project, the expected value of the advice given a positive advice could be too low to prefer to incur the cost of hiring an adviser.

The advice of multiple advisers is more valuable than the advice of one adviser if $\beta < 1$. This holds, because the decision maker only makes a correct decision when he follows the advice of the good adviser (given that she fulfills the communication constraint). The probability that at least one adviser is of the good type is the case increases with the number of advisers that are hired. However, each adviser is less valuable than the previous adviser if the decision maker has asked for sequential advice, as there is a chance that the first adviser was already of the good type.

4 Philip Morris and Informational Lobbying

4.1 Introduction

Policies on the use of tobacco products are controversial in the Netherlands. In 2013, the anti-smoking lobby—primarily consisting of two lung specialists—has started a frontal attack against the tobacco lobby. A new website has been opened called *TabakNee!* ("Tobacco No!"), exposing several individuals infamously known for functioning as lobbyists for the Dutch tobacco lobby. The creators of the website received a lot of media attention for their efforts; some media outlets praised them, others were critical of their aggressive style. The central claim of *TabakNee!* is however, that tobacco producers still have a significant influence on policy-making, while it is abundantly clear according to *TabakNee!* that smoking has a negative impact on one's health. It is therefore interesting to see how tobacco producers try to influence policy-makers, and how this can be explained by the theoretical model explained above.

4.2 Case Study

In most cases, it is unclear which pieces of information are transmitted from lobbyists to policy-makers. But in a recent report[10] from *EenVandaag*[11] it became clear that informational lobbying is used by tobacco producers, and the transmitted information itself is also available.[12] Philip Morris Holland B.V. has sent a letter to all members of the city council of Bergen op Zoom (a medium sized Dutch city) on the 10th of May, 2012, regarding the plans of the Dutch government to increase taxes on tobacco products. Philip Morris hopes that the local politicians would send the letter to Dutch parliamentarians in order to convince them that the proposed increase in taxes on tobacco products should not be implemented. The central message of the letter from Philip Morris Holland B.V. was that the proposed increase in taxes and the increase in sales taxes from 19 to 21 per cent would lead to a significant reduction in the number of sales, wherefore the company would be forced to fire many of its employees. Philip Morris states in the letter that the company is not an opponent of taxation and that it also understands that taxes have to increase during crises, but the company states that it wishes to 'alleviate' the negative impact of the increase in taxation.

Philip Morris brings several arguments for its claim that taxes on tobacco products should not be increased. Firstly it claims that the government will not reach its desired amount of revenue by increasing taxes (the letter refers to reports from the Dutch Tax Authority). Secondly, the increase in taxes on tobacco products would lead to a long term loss in revenue for the government, due to a number of side effects. Consumers would start buying cheaper products (such as rolling tobacco), they would start buying abroad due to the large difference in Dutch prices and German and Belgian prices, and consumers would start buying illegal produce. The letter refers to a report from KPMG (2010) that 21.9% of the total Dutch consumption was not taxed, which means that this part was bought from abroad or illegally. In sum, they point out that the tax, if implemented, would lead to disastrous results for tobacco firms, tax revenue in the long run and local production in Bergen op Zoom. Philip Morris hopes that the government considers the fact that, even without the proposed increase in taxes on tobacco products, tax revenue would rise with 60 million Euros. This is caused by the fact that the Dutch tax level is connected to the average prices of the previous year, and since prices have risen and the tax rate is constant, tax revenue rises as well. In addition, if taxes on tobacco products rise, the sales tax is levied over this extra tax as well. Philip Morris states that the government has not considered this, and they hope that this information could be taken into account so that the pain is alleviated for the company and its employees.

[10] Bloem (2012).

[11] "One Today"; a Dutch current affairs programme.

[12] "Brief van Philip Morris Holland B.V. d.d. 10 mei 2012 inzake accijnsverhoging op tabak" See Appendix (translation is available upon request); Letter sent on 10-05-2012 (Dutch).

4.3 The Players and their Preferences

In this case, we can distinguish four 'players' that all have their own role in the lobbying process. They also all have different preferences when it comes to the implementation of the tax increase on tobacco products. First, we have Philip Morris Holland B.V., a Dutch tobacco producer located in Bergen op Zoom. It is perfectly clear that they have an incentive to try to stop politicians from implementing the tax increase. If we assume that the firm aims to maximize its profits, then a tax increase must be considered as a negative factor, as it leads to a loss in profits. Note that this is a different goal than the objective that Philip Morris itself claims to want to achieve; its goal is not to maximize the number of employees, which means that firing employees in itself is not a dis-utility for a firm. The nature of the information that Philip Morris provides is relatively soft, in the sense that it is difficult for the receivers of information to conclude whether the message actually contains any information. Therefore the decision-maker will also look at the predisposition of the sender of information when he makes his decision.

Standard political science literature[13] states that the main goal of (local) politicians is to be re-elected. For that reason, they care about public opinion, so that making some decisions is optimal in terms of appeasing public opinion to become re-elected. In addition, they will have their own ideological preferences regarding banning or allowing smoking. In this case, the local politicians do not make the decisions regarding the tax increase themselves; they are rather asked by Philip Morris to lobby (by sending information) national politicians, who do have decision-making power. The local politicians are however not paid to lobby, the choice to send the letter is completely based on ideological and other preferences. They may have some ideological preferences, which can be seen in terms of party membership. But their goal to become re-elected also causes that they have an incentive to appease the public. In this case, it should be clear that local politicians do not wish to see that people are fired from Philip Morris in Bergen op Zoom, as this may cause social unrest and other negative situations, so that the likelihood of becoming re-elected becomes smaller if Philip Morris fires people. Also, the public might perceive the fact that politicians from certain parties have made an effort to help employees of Philip Morris to keep their job, as being positive. Furthermore, the group of local politicians could be a quite heterogeneous group in terms of preferences. Some might be in favour of implementing the tax, others might be against.

The complete opposite position is comprised of the people who have a strong anti-smoking preference in terms of governmental policy. One important player in this case is the organization behind *TabakNee!*, but other important players are for example *Stivoro* and the *Trimbos Instituut*, who both have a strong preference against smoking. In terms of advising the government, they would always advise the government to implement anti-

[13] Downs (1957), p. 13; Page and Shapiro (1983), and Kitschelt (2000).

smoking policies. The nature of the information they supply to government officials also tends to be different. Most, if not all, information provided by the previously mentioned players is hard information. This means that the information is easily verified by the receiver of the information.

Now we come one of the most important group of players, which are the national politicians. To be sure, the national politicians are a very heterogeneous group in terms of ideological preferences, but Philip Morris has asked local politicians to send information to all national politicians, irrespective of their initial preference on the tax on tobacco. The national politicians are ultimately the ones who make the decision regarding the tax on tobacco products.[14] We view the national member of parliament with the median preference as the decision maker of our model.[15]

4.4 The Nature of Information

The information that is sent by the anti-smoking lobby naturally differs from Philip Morris in the sense that different arguments are used in order to substantiate their claims. The anti-smoking lobby typically have a strong predisposition against smoking so that they are willing to go relatively far to stop the use of tobacco products. Their strong predisposition alone will however not be enough to change the minds of decision-makers. They need information about the state of the world in order to influence decision-makers. In general, the arguments of the anti-smoking lobby have a strong backing in terms of scientific evidence. It is perfectly clear that smoking is bad for one's health, and this is backed by many studies. The nature of the information of the anti-smoking lobby therefore tends to be relatively hard; it is relatively easy for decision-makers to check the information on its truthfulness.

The matter is different for companies like Philip Morris. As most scientific articles regarding the influence of smoking on health find negative effects, it is necessary to use other types of argumentation to counter the arguments of the anti-smoking lobby. Tobacco producers tend to use economic arguments, and in this case, the same holds for Philip Morris and its letter. Any arguments based on health are not to be found in the letter, it merely regards economic factors such as unemployment, tax revenue, profits, illegal consumption, and so on and so forth. The nature of these arguments is different than the scientific information from the anti-smoking lobby. Information coming from tobacco producers tends to be soft information. When Philip Morris claims that a significant amount of people will be fired if the proposed tax is implemented, then this

[14]The situation is of course more complicated than that, the decision is not necessarily made by members of Dutch parliament, but rather members of cabinet. In this case however, Philip Morris asked local politicians to send a letter to members of parliament in order to influence them with information. We will treat the national members of parliament as decision-makers.

[15]On the median voter theorem, see Barr and Davis (1966), Black (1971) and Comanor (1976).

piece of information is hard to verify, i.e., it is hard for decision-makers to know whether Philip Morris speaks the truth, or whether it simply prefers to pay less taxes in order to increase its profits.

4.5 Cost of Information Collection

The costs of Philip Morris and the local politicians to collect the information are relatively small. It merely needs to look at some statistics regarding the market, demand, the size of the tax and the number of sales. The statistics tend to be available for firms, especially for big firms. It is thus relatively easy to collect and send data regarding the effect of a tax on the number of sales, and the effect on total employment. Philip Morris however has an incentive to exaggerate the negative effects on total employment, which is possible, given the fact that the nature of the information is that it is *soft*.[16]

4.6 The Outcome

In the end, Philip Morris has not been able to influence the Dutch government, as in 2013 the proposed tax increase on tobacco products was implemented, in addition to the annual automatic increase in taxes based on higher consumer prices. Why did Philip Morris fail? Although this question is not our research motive, it is an important part of the case. We could speculate that the letter did not contain information that was sufficiently strong, in the sense that decision-makers were too much predisposed towards implementing the tax, or it could be the case that the content of the letter was not believed. With regard to the model, this means that the decision maker simply ignored the messages from lobbyists.

5 Application

5.1 Introduction

Although the model does not fit perfectly to the case, it is still possible to observe whether the propositions of the formal model correspond with the case study. It is clear that in the lobbying process, there are three important players (we ignore the anti-smoking lobby). First, Philip Morris is the one that has started the lobbying process, they are the ones who asked the local politicians to provide advice to national members of parliament in order to persuade them to change their policy.[17] Philip Morris has sent the letter to all local politicians, hoping that all these politicians would function as advisers and would

[16] See Beniers and Swank (2004) for the relevance of this cost.

[17] This is known as the persuasion motive (Swank, forthcoming).

send a positive[18] message to the national members of parliament. The local politicians of the council of Bergen op Zoom then receive Philip Morris' request and choose whether to send a message to the decision maker. In the last stage of the game, the members of national parliament observe the messages, and decide whether to retain the status quo (increasing the tax) or implement the project (terminating the proposed tax increase). In the end, we do not know how many of the local politicians actually sent the letter to national politicians. The most important phenomenon the model is able to explain however, is the behavior of Philip Morris; why did they lobby in that particular manner?

5.2 Value of the Model

Even though there are some discrepancies between the case study and the model, the model can explain various phenomena. First, the model explains that sending information is necessary from the perspective of Philip Morris, as the national members of parliament were initially (in May, 2012, when the letter was sent) predisposed toward increasing the tax. Without a positive message from advisers, the decision maker does not change his course of action (Proposition 1). Additionally, the model shows that for some values of p, more advisers are necessary to convince the decision maker to terminate the tax increase (Proposition 5). This explains why Philip Morris decided to ask multiple local politicians to advice the decision makers. We also know that Philip Morris at least anticipated that p was not so negative that lobbying would be futile. This means that, if $\beta < 1$, and the decision maker needs to be absolutely sure that the message comes from a truth speaking adviser, lobbying is futile, as an adviser of the bad type does not admit that she is of the bad type in a simultaneous set-up, and when she anticipates that P does not consult an additional adviser if she sends $m = m_s$ in a sequential set-up (Propositions 2 and 6). Philip Morris thus must have believed that lobbying could be successful. This could be explained by uncertainty about p. If there exists uncertainty about the value of p, then the fact that $c = 0$ explains that Philip Morris has no incentive to ask less than the maximum amount of advisers to send messages to the decision makers, as in some occasions, decision makers need more positive messages to be sufficiently sure that $X = 1$ is the correct decision (Proposition 5). The model shows that this is true, as bad types have an incentive to lie about the fact that they have information.

Furthermore, the model shows that Philip Morris needs lobbyists to persuade the Dutch government. Dutch parliamentarians know that Philip Morris would *always* prefer to pay lower taxes (i.e. the predisposition of Philip Morris is higher than h, so that they would always send $m = m_g$), which means that when Philip Morris would directly send the letter to Dutch parliamentarians, it would not be convincing. An indirect letter via local politicians is however somewhat more convincing, as their predisposition is less

[18]Meaning: "Do not increase taxes on tobacco products".

'extreme' than the predisposition of Philip Morris. Although local politicians would be inclined to support Philip Morris, this would not be unconditional support, i.e., when the arguments are not credible for the local politicians, advisers of the good type would not send the letter to the Dutch government. This means that local politicians (the advisers of our model) do not send $m = m_g$ in every case, so that a positive message from local politicians contains more information than the same message from Philip Morris. Philip Morris therefore has an incentive to ask local politicians to send the message on their own behalf.

The model also explains the fact that Philip Morris chose a simultaneous set-up instead of a sequential set-up. If the predisposition of Philip Morris to choose $X = 1$ approaches infinity, then its payoff does not depend on μ, and then Philip Morris always prefers that the decision maker chooses $X = 1$. If this is the case, then Philip Morris wants to maximize the likelihood that P chooses $X = 1$. To achieve this result, it helps that the advisers send $m = m_g$ (a higher amount of positive messages increases $E(\mu)$) *even when they are of the bad type*. We know that a simultaneous set-up ensures that advisers of the bad type send $m = m_g$, so that a simultaneous set-up is to be preferred over a sequential set-up. This is diametrically opposed to Proposition 7, which states that P prefers a sequential set-up over a simultaneous set-up. But this difference is caused by the fact that P does not want to maximize the likelihood that $X = 1$ is chosen, but he wants to maximize the likelihood that he makes the correct decision, and in that case a sequential set-up is to be preferred, as advisers of the bad type have an incentive to admit that they do not know μ.

6 Conclusion

In the DM-A game with two advisers, a decision maker responds differently to each set-up. The size of the cost; the amount of good and bad advisers; the predisposition of the advisers and the decision makers and the number of advisers that support a given message all matter for the decision maker to determine whether he follows advice. The model can explain some of the choices that Philip Morris has made. The case study and the application of the model to the case study give insight into how firms lobby. The model is relatively congruent with the case study, in the sense that we can explain several choices made by all players.

The model cannot explain *all* choices in this case study.[19] A larger model is necessary to provide a deeper understanding of this case study and other case studies. In the model, we make some assumptions (table 2) which restrict the generality of the model. There are

[19]This is also caused by the fact that we do not know all the details of the case study: we do not know how many local politicians have sent the letter; we do not know how many national politicians have received the letter; and we do not know how many national politicians were persuaded by the letter.

of course long run consequences for all the players of the game, while we assumed them away. A more important aspect of the case study which is different from the model's assumption is however that there are advisers with different preferences with uncertainty. The model cannot explain why Philip Morris also sent the letter to local politicians with different preferences.[20] It seems that asking advisers with opposing preferences to advice the decision maker actually damaged Philip Morris's goal, as they leaked the lobbying attempt to the media, but this remains speculation. Further research is necessary to be able to understand more of lobbying in general and tobacco lobbying in particular.

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[20] From the *EenVandaag* report, it became clear that members of the PvdA of Bergen op Zoom were not willing to send the letter, as they were in favor of the tax.

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8 Appendix

PHILIP MORRIS HOLLAND B.V.

Aan de fracties in de gemeenteraad van Bergen op Zoom
(LIJST LINSSEN, GBWP, CDA, VVD, PVDA, D66, GROEN LINKS, BSD, SP)
T.a.v. de Griffie
Gemeente Bergen op Zoom
Postbus 35
4600 AA Bergen op Zoom

Bergen op Zoom, 10 mei 2012

Geachte fractieleden,

De overheid heeft in het *Stabiliteitsprogramma Nederland* aangekondigd de accijns op tabak drastisch te verhogen. Ook de BTW zal worden verhoogd van 19 naar 21 procent. Hoewel over de precieze accijnsbedragen nog niet alles bekend is, is wel duidelijk dat een al te drastische verhoging, in combinatie met de BTW-effecten, grote gevolgen kan hebben voor de legale marktvolumes in Nederland, en daarmee voor de werkgelegenheid in onze fabriek in Bergen op Zoom.

Laat ons klip en klaar vooropstellen dat Philip Morris Holland B.V. geen tegenstander is van accijnsheffing, en ook begrip heeft voor een verhoging in deze economisch zware tijden. Desalniettemin zijn wij druk doende de beleidsbepalers in Den Haag ervan te overtuigen dat er bij de uitwerking van de aangekondigde maatregelen mogelijkheden zijn om de scherpe kantjes er vanaf te halen. Daarbij is de inzet van de lokale Bergse politiek onontbeerlijk.

Kern van de zaak is dat de overheid een zeer forse verhoging van de accijns voorstelt, terwijl deze aantoonbaar niet tot de beoogde opbrengst voor de staatskas zal leiden (zo blijkt uit de Beheersverslagen van de Belastingdienst). Bovendien is rekening te houden met een aantal ernstige neveneffecten, die de mogelijkheid om ook op langere termijn accijnsinkomsten te genereren ernstig beperken. Daarbij gaat het met name om het gedrag van de consument, die naar goedkopere producten (lees: shag) zal grijpen, over de grens zijn rokertjes zal halen (grote prijsverschillen met België en Duitsland!), of zijn toevlucht zoekt in illegaal product. In 2010 was volgens KPMG al 21,9% van de totale consumptie niet belast (dus buitenlands of illegaal)! Dat alles heeft ernstige gevolgen voor de tabaksdetailhandel, voor de overheidsinkomsten op de lange termijn, en niet in de laatste plaats voor de productie van sigaretten voor Nederland in Bergen op Zoom.

Onze oproep aan de overheid is de volgende:

- Bij de vaststelling van de precieze accijnsverhoging zou rekening moeten worden gehouden met het feit dat er ook zónder een verhoging volgend jaar al EUR 60 miljoen extra inkomsten worden geboekt. Reden daarvoor is dat de accijns gekoppeld is aan de gemiddelde prijzen in het voorgaande jaar; daar in 2012 de prijzen zijn gestegen wordt de accijns in 2013 automatisch verhoogd.

Philip Morris Holland B.V.
Marconilaan 20, 4622 RD, P.O. Box 205, 4600 AE Bergen op Zoom, The Netherlands
Trade Register 20123097

- Over een accijnsverhoging wordt BTW geheven: deze BTW-inkomsten zijn niet opgenomen in de BTW-ramingen van het Stabiliteitsprogramma maar zorgen wel degelijk voor extra overheidsinkomsten. Om de pijn in Bergen op Zoom te verzachten zouden deze in mindering gebracht kunnen worden op de autonome accijnsverhoging.

Wij hopen dat jullie onze oproep willen ondersteunen. Door het bovenstaande onder de aandacht te brengen van jullie collega-politici in de Tweede Kamer (en eventueel Staatssecretaris Weekers van Financiën en Minister Verhagen van EL&I) zou u de werkgelegenheid in Bergen op Zoom een grote dienst bewijzen.

Om een en ander te faciliteren voegen wij een concept-reactie bij die als inspiratie kan dienen. Uiteraard zijn we te allen tijde bereid om een technische toelichting te geven. Ten slotte zouden we het zeer op prijs stellen indien u ons (per email: robert.wassenaar@pmi.com) een seintje kunt geven in het geval u daadwerkelijk uw zorgen aan de landelijke politiek heeft kenbaar gemaakt; op die manier kunnen wij daaraan refereren in onze eigen contacten met 'Den Haag', en zullen uw acties en de onze elkaar versterken.

Wij danken u bij voorbaat hartelijk voor de aandacht die u aan het bovenstaande wilt schenken.

Met vriendelijke groeten,
PHILIP MORRIS HOLLAND B.V.

Peter Haase	Chris Been	Guust Verpaalen
General Manager	Voorzitter OR	Commissaris
namens de directie	namens het personeel	namens de Raad van Commissarissen

Bijlage: Concept-reactie naar Haagse collega's

CONCEPT-REACTIE NAAR HAAGSE COLLEGA'S

[aanhef],

Het Stabiliteitsprogramma Nederland van de zogenoemde Kunduz-coalitie maakt gewag van een accijnsverhoging van EUR 625 mln op alcohol, tabak en frisdrank. Hoewel over de precieze bedragen nog niet alles bekend is, maken wij ons zorgen over de daarmee gepaard gaande grote gevolgen voor de legale marktvolumes in Nederland, en daarmee voor de werkgelegenheid in de sigarettenfabriek van Philip Morris Holland B.V. hier in Bergen op Zoom. Deze fabriek, met ruim 1400 voltijdsbanen, is van grote economische betekenis voor onze gemeente. In de laatste jaren vielen hier al de nodige klappen door de wereldwijde crisis, die natuurlijk zijn weerslag had op een internationaal gerichte fabriek als die van Philip Morris. Honderden mensen hebben de voorbije jaren afscheid moeten nemen van het bedrijf. Wij vragen vanuit onze positie als vertegenwoordigers van de Bergense gemeenschap dan ook om aandacht voor de negatieve gevolgen voor de werkgelegenheid van de accijns- en BTW-verhoging. Daarbij gaat het met nadruk óók over de tabaksdetailhandel in onze en omliggende gemeenten in de grensregio. Immers, te verwachten is dat de consument nog meer dan nu al het geval is, uitwijkt naar de Belgische winkeliers.

Let wel: wij pleiten niet voor het niet doorgaan van de accijnsverhogingen, maar we vragen nadrukkelijk voor enige nuancering bij de uitwerking van een en ander:

Accijns

Zo hebben we begrepen dat ook zonder een autonome accijnsverhoging op tabak in 2013 al extra accijnsopbrengsten van ongeveer € 60 miljoen zullen worden gerealiseerd daar de accijnzen in 2013 bij wet gekoppeld zijn aan de gemiddelde prijzen in 2012. We geven jullie in overweging deze 60 miljoen te betrekken bij de gewenste accijnsverhoging, zodat deze daar niet nog eens bovenop gestapeld wordt.

BTW

Bovendien wordt er over de geplande accijnsverhoging BTW geheven; deze BTW-inkomsten zijn niet opgenomen in de BTW-ramingen van het Stabiliteitsprogramma maar zorgen wel degelijk voor extra overheidsinkomsten. Om de pijn in Bergen op Zoom te verzachten zou deze in mindering gebracht kunnen worden op de autonome accijnsverhoging.

Door deze nuanceringen zouden de negatieve gevolgen van de accijnsverhoging kunnen worden beperkt, zonder dat dit afbreuk doet aan het Stabiliteitsprogramma. Aarzelt u niet om contact op te nemen voor een verdere toelichting.

Met vriendelijke groet,

[...]