

Iván MEDINA*

 <https://orcid.org/0000-0001-6421-3716>

Joaquim M^a MOLINS**

A NEW HYBRID MODEL FOR CHAMBERS OF COMMERCE IN SPAIN? EXPLAINING THE IMPACT OF EUROPEAN PROGRAMS ON THE MODERNIZATION OF BARCELONA CHAMBER OF COMMERCE

Abstract

Background: Spanish chambers of commerce are in a period of transition from a public model towards a hybrid model of chambers. In the context of a financial crisis, both socialist and conservative governments promoted new rules that ended the obligation for companies to join local chambers and pay the mandatory fee. The previous literature points out that the introduction of new rules led to the growing participation of multinational companies in the governing bodies of the Spanish Chamber of Commerce at the state level. However, there has been no empirical analysis of how local chambers have adapted their structures and activities to the new legal framework after losing their main source of income (i.e., the mandatory fee).

Research purpose: This article analyzes the Barcelona Chamber of Commerce's (BCC) annual budgets for the period 2013–2023. The budgetary dimension is of particular relevance for the transition towards a hybrid model of chambers since the 2014 law established that the provision of services to companies is the main source of financing for local chambers. Our article quantifies and analyzes the origin of BCC's annual income, with the aim of identifying the relative weight of public funding, especially European funds.

Methods: This article analyzes in a descriptive manner an original database of BCC's annual budgets for the period 2013–2023, based on the audited reports that the chamber publishes on its website. We have also collected data on BCC's participation in public programs at various levels.

* Iván Medina, PhD., Associate Professor of Political Science, University of Valencia (Spain), Faculty of Law, Department of Constitutional Law and Political Science; e-mail: ivan.medina@uv.es

** Joaquim M^a Molins, PhD., Independent Researcher (Former Professor of Political Science, Autonomous University of Barcelona (Spain), Faculty of Political Science and Sociology, Department of Political Science and Public Law); e-mail: quim.molins@gmail.com

Conclusions: Contrary to the spirit of the 2014 law, public funding represents almost half of BCC's annual budget in the last years of the period analyzed. Although BCC has participated directly in open calls for European Funds over the years, the Spanish Chamber of Commerce has become an essential source of income for the local chambers. Spanish chambers are now much more dependent on public funding than in the years before the introduction of new rules.

Keywords: chambers of commerce, business associations, compulsory membership, European funds, Spain.

JEL classification: K20, K23, L31, L38

1. Introduction

The financial crisis of 2007–2008 was a turning point for the chambers of commerce (hereafter: the chambers) in Spain. In 2010, the socialist government (*Partido Socialista Obrero Español*, PSOE) headed by Rodríguez Zapatero put an end to the obligation for companies to pay the mandatory fee and to join the chambers. The government made this decision without first consulting the chambers, deciding to incorporate new rules in a royal decree full of initiatives that sought to promote private investment and create employment.¹ The socialists openly accused the chambers of putting the competitiveness of Spanish companies at risk, arguing that the public-law model of chambers had proven inefficient and paved the way for the reform of the 1993 law on chambers of commerce.² In an elegant way, the preamble to the royal decree stated that “the need to ensure the interest of companies in continuing to contribute will serve as a stimulus to promote their modernization and consolidation as providers of services of greater utility to their associates.” By eliminating mandatory membership, the government argued that around two and a half million companies could be using valuable financial resources that the chambers were not managing correctly.³

José Luis Bonet,⁴ the current president of the Spanish Chamber of Commerce (*Cámara de Comercio de España*), pointed out that the socialists had

¹ Real Decreto-ley 13/2010, de 3 de diciembre, de actuaciones en el ámbito fiscal, laboral y liberalizadoras para fomentar la inversión y la creación de empleo.

² Ley 3/1993, de 22 de marzo, Básica de las Cámaras Oficiales de Comercio, Industria y Navegación.

³ At the press conference on 3 December 2010, the Minister of Economy (Elena Salgado) argued that “the Royal Decree Law also contains a set of measures to liberalize economic activity, including the elimination of the mandatory fee.”

⁴ J.L. Bonet, *La refundación del Sistema Cameral Español y la creación de la Cámara Oficial de Comercio, Industria, Servicios y Navegación de España: la Ley 4/2014 de 1 de abril*, Colección Real Academia Europea de Doctores, 2022, p. 46.

acted irresponsibly because the government did not propose a coherent reform of the legal framework that regulates the entire system of chambers in Spain. The 2010 royal decree modified a small part of the 1993 law relating to the financing and membership of the chambers. The chambers were left without their main source of funding, although they still had the obligation to fulfill public-administrative functions. Criticism was not long in coming. The Andalusian Council of Chambers of Commerce, for instance, issued a press release opposing the royal decree because, among many other things, “the support services for the creation and consolidation of companies in our Community are put at risk, so that 16,000 queries for personalized and specialized advice will no longer be attended to; 1,200 Andalusian companies will no longer participate in actions to support the creation and consolidation of companies; and 54,000 Andalusian businesswomen will not have advice for starting up their activity.”⁵

After several years of legal uncertainty, the arrival of the conservative *Partido Popular* to power in 2011 provided an opportunity for the chambers to resolve the legal mess they were facing. In 2014, Mariano Rajoy’s government reformed the legal framework to turn the chambers into hybrid institutions. The new law aimed to limit their lobbying functions in order to turn the chambers into public-private agencies focused on providing business-related services to companies. With this, the Spanish Confederation of Business Associations (*Confederación Española de Organizaciones Empresariales*, CEOE), the main Spanish employers’ association, got rid of one of its main rivals in the defense of business interests, namely, the Superior Council of Chambers of Commerce (*Consejo Superior de Cámaras de Comercio*),⁶ which disappeared. The new law created the Spanish Chamber of Commerce as the state-level headquarters of the entire network of local chambers, with a significant presence of Spanish multinationals in its governing bodies. Chambers are still regulated by public law, but membership in the chambers is no longer mandatory. In addition, the new law establishes that income from the provision of specialized services to companies is the main source of funding for local chambers.

A decade after the introduction of the new rules, this article examines the transition towards a hybrid model of chambers based on an analysis of the Barcelona Chamber of Commerce (BCC)’s annual accounts from 2013 to 2023.

⁵ “Cámaras de comercio andaluzas rechazan suprimir cuotas y piden reunirse con Griñán por el efecto en las pymes”, Europa Press, 14/12/2010, available at: <https://www.europapress.es/andalucia/sevilla-00357/noticia-camaras-comercio-andaluzas-rechazan-suprimir-cuotas-piden-reunirse-grinan-efecto-pymes-20101214165740.html>; accessed 31.01.2025.

⁶ Higher Council of Chambers of Commerce.

Our aim in this article is to examine the strategy that the BCC has followed to mitigate the loss of the mandatory fees in a context marked by a strong global economic crisis, and the unexpected arrival of the COVID-19 pandemic in 2020. We are particularly interested in ascertaining whether the BCC has diversified its sources of income, especially by signing agreements with public administrations in order to manage public programs and policies aimed at local companies. We are also interested in discovering whether the BCC has participated in open calls for EU projects while adopting a new work culture based on principles of efficiency, transparency, and accountability. The article is structured as follows: the theoretical aspects that explain the changes in the model of chambers of commerce in Europe and Spain are discussed below; then, we describe the methodology applied in the analysis of BCC's annual budgets, which is developed in the fourth section. The article concludes with a summary of the main findings and a commentary on future lines of research.

2. Institutional change in the Spanish chambers of commerce

Sack⁷ describes chambers of commerce “as generalist business associations, meaning that they include companies from different economic sectors and of different sizes. This is a crucial feature: the chambers’ membership is heterogeneous in terms of business activities, modes of production, infrastructural and technological needs, number of employees, turnover, and area of economic activity.” Chambers are technically trade associations, meaning that they do not fulfill the function of employer. Instead, they perform up to three types of functions: a) representing generalist business interests, which places them in a position of competition with other business associations that specialize in products and markets, as well as with large firms; b) business *self-governance*, in which the chambers are providers of services to companies; and c) providing and defining public policies at various administrative levels and political arenas.⁸

⁷ **D. Sack**, *European Chambers of Commerce in Comparison. An Introduction*, in: **D. Sack** (ed.), *Chambers of Commerce in Europe. Self-governance and institutional change*, Palgrave Macmillan, Cham, 2021, p. 4.

⁸ **D. Coen**, *The evolution of the large firm as a political actor in the European Union*, *Journal of European Public Policy* 1997/4 (1), pp. 91–108; **R.J. Bennett**, *The Logic of Local Business Associations: An Analysis of Voluntary Chambers of Commerce*, *Journal of Public Policy* 1995/15 (3), pp. 251–279; **J.M. Molins**, *Chambers of Commerce as Interest Groups*, ICPS Working Paper 8, Barcelona 1989.

In the United States, chambers have been articulated in a similar way to other voluntary business associations,⁹ so they are described as a special type of business association within the interest group population.¹⁰ In Europe, until the mid-1990s, private law chambers with voluntary membership were present in Belgium, Bulgaria, Denmark, Ireland, Malta, Poland, Portugal, Romania, Switzerland, and the United Kingdom.¹¹ This was also the model followed in Baltic and Scandinavian countries. However, in other countries, such as Austria, Croatia, Germany, Greece, France, Hungary, Italy, Luxembourg, the Netherlands, Slovakia, Slovenia, and Spain, the chambers were regulated by public law, in some cases with compulsory membership.¹² The functions of such public-law chambers are defined by laws at various levels (state, regional/local), where the chambers are identified as a special type of privately managed business institution that collaborates with public administrations, thus being controlled by the government and the courts. Companies are obliged to join and finance the chambers, even when they are dissatisfied with the services offered.

Public-law chambers do not fit neatly into the classic definitions¹³ of voluntary, membership-based business interest groups.¹⁴ For European political

⁹ **F.R. Baumgartner et al.**, *Lobbying and Policy Change: Who Wins, Who Loses, and Why*, University of Chicago Press, Chicago 2009; **C.J. Martin, D. Swank**, *The political construction of business interests: Coordination, growth and equality*, Cambridge University Press, Cambridge 2012.

¹⁰ **D. Lowery et al.**, *Generalist Interest Organizations and Interest System Density: A Test of the Competitive Exclusion Hypothesis*, *Social Science Quarterly* 2012/93 (1), pp. 21–41; **B. Crawford**, *The Historical and Cultural Construction of Legitimated Interests: The Rise of American Chambers of Commerce*, *Management & Organizational History* 2015/10 (3–4), pp. 230–250.

¹¹ **R.J. Bennett**, *Explaining the Membership of Voluntary Local Business Associations: The Example of British Chambers of Commerce*, *Regional Studies* 1998/32 (6), pp. 503–514.

¹² **S. Waters**, *Chambers of Commerce and Local Development in France: Problems and Constraints*, *Environment and Planning C: Government and Policy* 1998/16 (5), pp. 591–604; **U.E. Zallenberg**, *Institutional change in Austrian Economic Chambers*, in: **D. Sack** (ed.), *Chambers of Commerce in Europe. Self-governance and institutional change*, Palgrave Macmillan, Cham 2021.

¹³ **P. Bernhagen**, *Chambers of Commerce as Political Actors: Theoretical Perspectives on Their Organisation and Influence*, in: **D. Sack** (ed.), *Chambers of Commerce in Europe. Self-governance and institutional change*, Palgrave Macmillan, Cham 2021.

¹⁴ In Spain, chambers of commerce have been extensively studied within administrative and constitutional law due to the ongoing debate over whether chambers belong to the public administration and the degree of autonomy they enjoy from the government to carry out their functions (see **de Enterría E. García**, *Las Cámaras Oficiales de Comercio, Industria y Navegación ante el Derecho*, *Revista de Administración Pública* 1996/139, pp. 153–170;

science, the emergence of the chambers is not a consequence of the struggle for political power in capitalist democracies, but rather, the chambers are heirs to medieval guilds¹⁵ insofar as they fulfill several functions in the organization of the market.¹⁶ The literature on neo-corporatism has long denied the political role of the chambers in labor and industrial relations,¹⁷ giving more credit to voluntary employers' associations when it comes to representing business interests vis-à-vis unions and governments in negotiations on fiscal, labor, and social issues.¹⁸ For other authors in the fields of urban governance, institutional sociology, and public policy, the chambers contribute effectively to the design of policies aimed at economic growth.¹⁹ From different perspectives, the chambers are seen as

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- J.M. Gorordo**, *Cámaras Oficiales de Comercio, Industria y Navegación*, ed. Civitas, Madrid 2005; **S. Martín-Retortillo**, *Funciones de las Cámaras de Comercio, Industria y Navegación*, *Revista Española de Derecho Administrativo* 1996/90, pp. 185–195; **A. Valcárcel**, *Las Cámaras Oficiales de Comercio, Industria y Navegación de España*, ed. Maribel, Madrid 1962).
- ¹⁵ According to **P. Eichenberger et al.**, “when guilds were abolished at the beginning of the modern period, chambers of commerce took over some of their activities in the regulation of markets. They also began to fill the void that the guilds’ disappearance left in the arena of political economy, for example by representing business towards the political authorities” (**P. Eichenberger et al.**, *The brokers of globalization: Towards a history of business associations in the international arena*, *Business History* 2023/65 (2), pp. 217–234).
- ¹⁶ **C. Lemerrier**, *La Chambre de Commerce de Paris, acteur indispensable de la construction des normes économiques (première moitié du XIXe siècle)*, *Genèses* 2003/50 (1), pp. 50–70; **S. Ogilvie**, *Institutions and European trade: Merchant guilds, 1000–1800*, Cambridge University Press, Cambridge 2011; **S. Ogilvie**, *The European guilds: An economic analysis*, Princeton University Press, Princeton 2019.
- ¹⁷ For **P.C. Schmitter** and **W. Streeck**, the emergence of the first chambers of commerce occurred in a historical context in which capital owners “as a class, enjoyed great advantages over workers, pre-industrial estates and consumers...Basic issues in this stage of associational activity are attempts to avoid cutthroat price competition on the market; efforts to limit or prevent altogether the access of foreign competitors to the domestic market; endeavours to form a common front vis-à-vis the sellers of basic raw materials and other supplies, and the like” (**P.C. Schmitter**, **W. Streeck**, *The organization of business interests: Studying the associative action of business in advance industrial societies*, MPIfG Discussion Paper 1999/ No 99/1, Max-Planck-Institut für Gesellschaftsforschung, Köln, p. 12).
- ¹⁸ **P.C. Schmitter**, *Still the century of corporatism?*, *The Review of Politics* 1974/36 (1), pp. 85–131; **L. Kenworthy**, *Quantitative Indicators of Corporatism*, *International Journal of Sociology* 2003/33 (3), pp. 10–44; **R. Hyman**, *The role of government in industrial relations*, in: **J. Heyes**, **L. Rychly** (eds.), *Labour administration in uncertain times*, Edward Elgar, Cheltenham 2013.
- ¹⁹ **D.D. Dawley**, **R.D. Stephens**, **D.B. Stephens**, *Dimensionality of Organizational Commitment in Volunteer Workers: Chamber of Commerce Board Members and Role Fulfillment*, *Journal of Vocational Behavior* 2005/67, pp. 511–525; **W. Maennig**, **M. Ölschläger**,

playing an essential role in the exchange of information between firms, policy-makers, and institutions in local economies.²⁰

Aside from discussions about the nature and functions of public-law chambers, recent studies have examined the change in the institutional design of European chambers as a result of the 2007–08 financial crisis and other institutional factors that have marked European politics in recent decades.²¹ It could be argued that the chambers, following the example of other business associations,²² have shown a proactive attitude in incorporating a more efficient governance system. But this is not the case. European governments have taken the initiative in this regard, often with the opposition of the chambers. Medina and Molins²³ explained that the chambers in Spain faced a process of radical change, first, with the elimination of the mandatory fee in 2010, and second, with the approval of a new legal framework in 2014. Despite maintaining their public status, the chambers lost a significant amount of income in a very short period. At the state level, the main change was the entry of various multinational

H.J., Schmidt-Trenz, *Organisations and Regional Innovative Capability: The Case of the Chambers of Commerce and Industry in Germany*, *Environment and Planning C: Government and Policy* 2015/33 (4), pp. 811–827; **U. Braendle, A.H., Rahdari, H.F. Dehkordi**, *Promoting Responsible Business Practices: A Case of Chambers of Commerce*, *Revista Internacional de Organizaciones* 2016/16 (6), pp. 41–58.

²⁰ **B. Jouve**, *Local Development and Chambers of Commerce and Industry, the Case of Lyon*, *Sociologie du travail* 2002/44 (4), pp. 521–540; **R.J. Bennett, M. Ramsden**, *The Contribution of Business Associations to SMEs: Strategy, Bundling or Reassurance?*, *International Small Business Journal: Researching Entrepreneurship* 2007/25, pp. 49–76; **F. Carnevali**, *Social capital and trade associations in America, C. 1860–1914: A microhistory approach*, *The Economic History Review* 2011/64 (3), pp. 905–928; **I. Medina**, *Are Business Associations Involved in Regional Politics? Evidence from Spain and the United Kingdom*, *European Urban and Regional Studies* 2014/6, pp. 1–17.

²¹ **D. Sack, Ch. Quittkat**, *Institutional Change in the French Chambers of Commerce*, in: **D. Sack** (ed.), *Chambers of Commerce in Europe. Self-governance and institutional change*, Palgrave Macmillan, Cham 2021; **P.K. Zachar**, *Institutional Changes to Chambers of Industry and Commerce in Hungary after the Transition of 1989/1990*, in: **D. Sack** (ed.), *Chambers of Commerce in Europe. Self-governance and institutional change*, Palgrave Macmillan, Cham 2021.

²² **M. Behrens, M. Helfen**, *Small change, big impact? Organisational membership rules and the exit of employers' associations from multiemployer bargaining in Germany*, *Human Resource Management Journal* 2019/29 (1), pp. 51–66; **Ph. Demougin et al.**, *Employer organisations transformed*, *Human Resource Management Journal* 2019/29 (1), pp. 1–16.

²³ **I. Medina, J.M. Molins**, *Institutional Change in Spanish Chambers of Commerce*, in: **D. Sack** (ed.), *Chambers of Commerce in Europe. Self-governance and institutional change*, Palgrave Macmillan, Cham 2021.

companies into the governing bodies of the Spanish Chamber of Commerce, while the presence of local chambers in its internal representative bodies was reduced. At the regional level, a series of changes also occurred. Spanish regions have both executive and legislative powers over trade and economic promotion, so most regions reformed their chamber laws after 2014. Curiously, Catalonia has failed to introduce new rules so far, so Catalan chambers, including BCC, have not managed to update the catalog of political-administrative functions that they must fulfill at the regional/local level.

The point is that in Spain, as in other European countries, public law chambers were designed to fulfill a series of economic and associative functions within a protectionist state that no longer exists.²⁴ With globalization, trade relations transcend state borders.²⁵ Several authors²⁶ have explained that the representation of business interests, either through business associations or directly by large companies, has adapted to institutional and economic changes on an international scale.²⁷ Under pressure from European Union (EU) institutions, national governments have introduced reforms to make state structures more flexible and reduce red tape. It is surprising that European governments did

²⁴ **D. Fraboulet**, *Quand les patrons s'organisent. Stratégies et pratiques de l'Union des Industries Métallurgiques et Minières 1901–1950*, Presses Universitaires du Septentrion 2007; **D. Fraboulet, C. Druelle-Korn, P. Vernus** (eds.), *Genèse des organisations patronales en Europe: XIXe–XXe siècles*, Presses Universitaires de Rennes, Rennes 2012; **C. Druelle-Korn**, *The Great War: Matrix of the International Chamber of Commerce, a fortunate business League of Nations*, in: **A. Smith, S. Mollan, K.D. Tennent** (eds.), *The impact of the First World War on international business*, Routledge, London 2016.

²⁵ **G. Jones**, *Firms and global capitalism*, in: **L. Neal, J.G. Williamson** (eds.), *The Cambridge history of capitalism. Volume 2. The spread of capitalism: From 1848 to the present*, Cambridge University Press, Cambridge 2014; **R. Fitzgerald**, *The rise of the global company: Multinationals and the making of the modern world*, Cambridge University Press, Cambridge 2015.

²⁶ **J. Greenwood, H. Jacek** (eds.), *Organized business and the new global order*, Macmillan & St. Martin's Press, 2010; **N. Rollings**, *Business eurofederations and European integration from the Second World War to the 1970s*, in: **D. Fraboulet, A.M. Locatelli, P. Tedeschi** (eds.), *Historical and international comparison of business interest associations (19th–20th centuries)*, Peter Lang, Brussels 2013; **D. Coen, A. Katsaitis, M. Vannoni**, *Business lobbying in the European Union*, Oxford University Press, Oxford 2021.

²⁷ **M. Moguen-Toursel** (ed.), *Stratégies d'entreprise et action publique dans l'Europe intégrée (1950–1980)/Firm strategies and public policy in integrated Europe (1950–1980)*, Peter Lang, Brussels 2007; **H. Michel** (ed.), *Représenter le patronat européen. Formes d'organisation patronale et mode d'action européenne*, Peter Lang, Brussels 2013; **K. Ronit**, *Organized business and global public policy: Administration, participation, and regulation*, in: **D. Stone, K. Moloney** (eds.), *The Oxford handbook of global policy and transnational administration*, Oxford University Press, Oxford 2019.

not consider it appropriate until a decade ago to reform public law chambers by removing their institutional privileges. The resistance of local chambers to change is even more surprising when they themselves have actively contributed to the development of the International Chamber of Commerce as a means of campaigning for the liberalization of trade rules at a global level.²⁸ However, the reality is that the chambers have not yet disappeared, neither in Spain nor anywhere else, which indicates that their adaptability to structural changes is exceptional.²⁹ Over the last decade, Spanish chambers have developed several strategies to deal with the new rules, ranging from mergers between existing chambers, such as the chambers of Pontevedra, Vigo, and Villagarcía de Arousa in 2016,³⁰ to greater participation in open, competitive calls for European funds.

Moreover, this groundbreaking organizational shift within the chambers coincided with the EU's massive response to the COVID-19 pandemic. In July 2020, it announced the 2021–2027 budget, which embodied a significant Recovery Plan along with the “Next Generation EU” (NGEU) fund, an instrument that combines grants and loans to ease the Member States economic recovery after the pandemic. In total, the EU mobilized over €750 billion to support reforms and investments in the Member States. These two financial instruments have been critical, not only because the NGEU led the EU to explore the international financial markets for the first time but also because they raised an even greater need for multilevel policy coordination. This context arguably granted the chambers new funding possibilities and new roles, which are worth considering. It is known that the European Commission requires collaborating entities to adhere to a series of rules and commitments while implementing its programs.

²⁸ **V. Schneider**, *Global economic governance by private actors: The International Chamber of Commerce*, in: **J. Greenwood, H. Jacek** (eds.), *Organized business and the new global order*, Macmillan & St. Martin's Press, 2000; **M. Rosengarten, C.-L. Holtfrerich**, *Economic policy positions and influence of the International Chamber of Commerce*, in: **H. James** (ed.), *The interwar depression in an international context*. Oldenburg, Munich 2002.

²⁹ The first chamber was created in Marseille in 1599, and then, following various organizational models, a vast number of chambers of commerce were created in the United Kingdom, Germany, Spain, France and elsewhere. The chambers have thus survived numerous political tensions and economic changes, the most recent of which was brought on by the financial crisis of 2007–2008.

³⁰ “Arranca la fusión de tres cámaras de comercio sin reducir directivos”, *El País*, 09/05/2016, https://elpais.com/ccaa/2016/05/09/galicia/1462824194_112556.html; accessed 31.01.2025.

3. Data and methods

This article analyzes BCC's annual accounts for the period 2013–2023. Since its foundation in 1886, BCC has been a relevant, powerful voice in the political representation of Catalan companies, as well as in the promotion of economic activity in Barcelona and beyond. Our interest in analyzing the evolution of the BCC's annual accounts is justified by two reasons: first, the approval of the 2014 law on transparency, access to public information, and good governance³¹ requires the chambers to publish audit reports on the annual budgets on their websites. These reports include detailed financial data on the chambers' annual activity in a format that auditors repeat year after year, making it easier to identify relevant data. Second, the design of the new rules governing the chambers in Spain is based on the decision of the socialist government to eliminate the mandatory fee in 2010, so the budgetary dimension is central to understanding the changes that have occurred in subsequent years. In fact, the conservative government promoted institutional change through a legal reform of the functions and financing of the chambers while maintaining their public nature. In this regard, article 19 of the 2014 law regulating the economic regime of local chambers proposes the following sources: a) ordinary and extraordinary income obtained from the services they provide and, in general, from the exercise of their activities; b) products, income and increases in their assets; c) voluntary contributions from companies or commercial entities; d) bequests and donations they may receive; e) income from credit operations carried out; and f) any other that may be attributed to them by law, by virtue of an agreement or by any other procedure in accordance with the legal system. It is not in the spirit of the 2014 law that the chambers receive public funding.

We have compiled an original database based on the audited accounts that the BCC offers on its website.³² Although our interest is focused on the period 2013–2023, we have also collected data for 2012, which, as explained below, is useful for better contextualizing certain trends. These audited accounts guarantee that the information about BCC's annual budgets is accurate and has been supervised by an external evaluation agency/firm. In addition, these documents

³¹ “Ley 19/2014, de 29 de diciembre, de transparencia, acceso a la información pública y buen gobierno”, Boletín Oficial del Estado (BOE) (Ref. BOE-A-2015-470), <https://www.boe.es/buscar/act.php?id=BOE-A-2015-470>; accessed 8.07.2024.

³² Barcelona Chamber of Commerce's Budgetary Information, Transparency Portal, <https://cambraencn.org/es/es-sobre-cambra/transparencia-y-perfil-del-contratante/transparencia/informacion-economica/>; accessed 15.06.2024.

provide detailed information on BCC's participation in programs funded by public administrations. Due to the exploratory purpose of this research, the analysis of the database focuses on the evolution of the main components of the annual budgets.

Following the theoretical discussion above, we expect that (H1) after the loss of revenue generated by the mandatory fee, BCC's main source of income will come from the provision of services from its own catalog. We also expect that (H2) BCC has been able to diversify its sources of income and that, in a competitive manner, it receives funding from governments and public administrations based on its participation in programs aimed at local businesses and economies, especially from the EU. To examine these two hypotheses, the analysis is presented on two levels: first, we examine the evolution of the major figures of the annual accounts, differentiating by source of income; second, we analyze the income from public programs and agreements, with particular attention to European projects.

4. Analysis

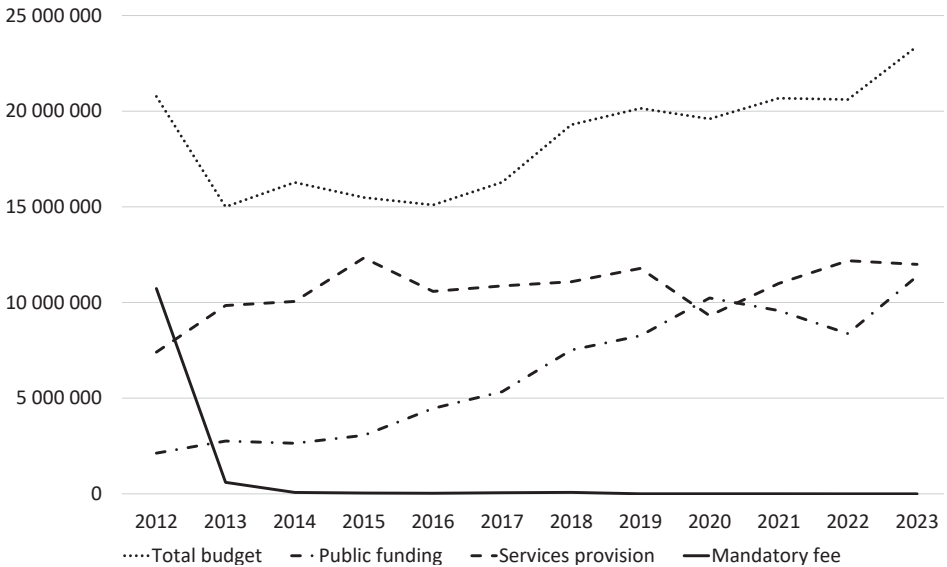
The evolution of the BCC's annual accounts shows that the Spanish chambers were not prepared to face a massive change in their organizational design overnight. Both the socialist and the conservative governments decided that reforming the existing rules should not entail additional costs for the State. Thus, the new 2014 law did not offer incentives for the weaker chambers to gradually adapt to the new requirements. In the context of an economic crisis, this meant that the chambers had to reduce their size and cut their expenses without having a clear idea of their future. It took the BCC seven years to achieve an annual budget similar to the one it had in 2012. As Graph 1 shows, the elimination of the mandatory fee had a very noticeable impact on BCC's annual accounts, losing around €10 million from one year to the next between 2012 and 2013. Although income from the provision of services increased in 2013, BCC was not prepared to offer a catalogue of services that would allow the chamber to maintain the budget of the previous year. And not only that, those years were especially hard for the Spanish economy, so companies doing business in the Barcelona area were not in a position to buy the services that BCC was prepared to offer. From one year to the next, the BCC's budget was reduced by €5 million. Therefore, it had no option but to reduce its structure, lay off some of its staff, and come up with a new strategy to survive.

In this regard, Graph 1 shows that during the first years, between 2013 and 2015, BCC put all its efforts into increasing its income through the provision

of services. This helped it maintain its annual budget for a few years at around €15 million. While this is positive news, this strategy had a limitation: income from the provision of services stagnated. BCC's budget clearly increased as income from managing public programs and projects began to grow. Graph 1 shows that income from public subsidies (or funds) exceeded €10 million in 2020, while it was just over €2 million in 2012. Revenue from the compulsory fee decreased significantly from one year to the next, accounting for 51.66% of the total budget in 2012 but only 4% in 2013. Graph 2 shows a €4 million imbalance between revenue and expenditure in BCC's budget for 2013. BCC corrected this imbalance in subsequent years. In 2014, it obtained an additional income of €3.5 million from the management of non-payments of the compulsory fee in previous years and other services. This "additional" source of income was not continued in subsequent years; thus, from 2015 onwards, BCC's main source of income was the provision of services and public funding. Between 2015 and 2019, revenue from the provision of services was significantly higher than revenue from the management of public programs. In 2015, the provision of services generated 79.62% of revenue in BCC's annual budget; in 2016, it was 70%; in 2017, it was 66.73%; in 2018, it reached 57.45%; and in 2019, it was 58.48%. In 2020, the trend changed. The BCC earned €10,234,394 from public program management, while the provision of services generated revenues of €9,309,226. Since then, Graph 2 shows a certain balance between these two sources of income, except for the 2022 budget, when service delivery revenue was €4 million higher than program management revenue.

The reason why there was no balance between these two sources of income in 2022 is due to a reduction in funds from the Spanish Chamber of Commerce. Specifically, BCC received less funding for the management of the *Comprehensive Qualification and Employment Program (PICE)*³³ in 2022 (€2.9 million) than in the previous year (€3.8 million) and in 2022 (€4 million). This is a project joint-funded by the European Commission, through the European Social Fund, and the Spanish government. The Spanish Chamber of Commerce is responsible for transferring public funds to local chambers. This method is also applied to other programs such as FP Dual (vocational training), Xpande Digital (the digitalization of companies), incentives for entrepreneurship (the PAEM program) or the promotion of business competitiveness and internationalization. Funding from the Catalan government (*Generalitat de Catalunya*) and the Catalan Council of Chambers (*Consell de Cambres*) also represents an important source of income for BCC.

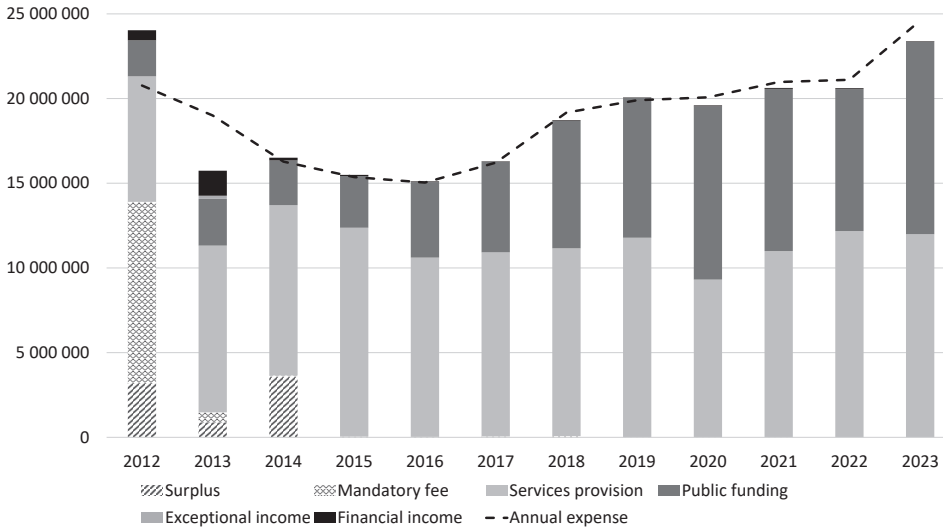
³³ In Spanish, "Programa Integral de Cualificación y Empleo."

GRAPH 1: *Barcelona Chamber of Commerce's annual budgets, 2012–2023*

Source: own work with data from the Barcelona Chamber of Commerce's annual accounts.

Data shows a very different scenario to the one that the 2014 law outlined. The BCC, and certainly the majority of Spanish chambers, has built a hybrid model of chambers that is increasingly dependent on public administrations. If the *Partido Popular* thought that Spanish chambers could be financed exclusively by voluntary contributions from companies, the BCC's annual accounts describe a very different scenario. The chambers have taken advantage of the fact that the 2014 law still considers them public entities, becoming increasingly involved in the management of public funds for a simple reason: firms are not the only potential clients of the chambers. The chambers also provide services to public administrations in various ways, whether by preparing reports and studies or by organizing trade promotion campaigns. In the years before the compulsory fee was abolished, the chambers could cover the cost of providing such services with their own resources, for example, through a research unit responsible for collecting data on economic activity. However, now, the chambers outsource the costs of their activity to public administrations because the law requires that such collaborations be detailed in agreements that will ultimately be evaluated by inspection bodies. In this regard, what has been the contribution of the European Union to the recent development of BCC?

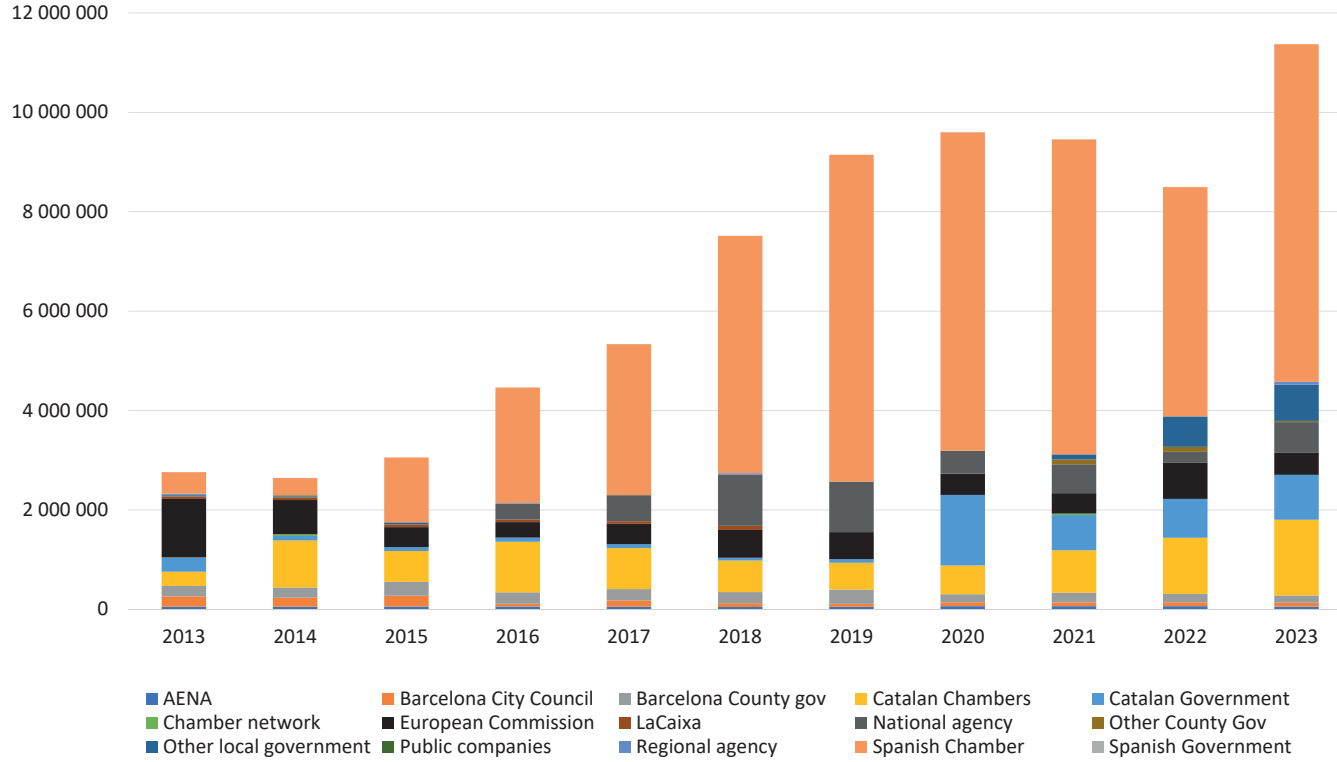
GRAPH 2: *Barcelona Chamber of Commerce's income sources, 2012–2023*



Source: own work with data from the Barcelona Chamber of Commerce's annual accounts.

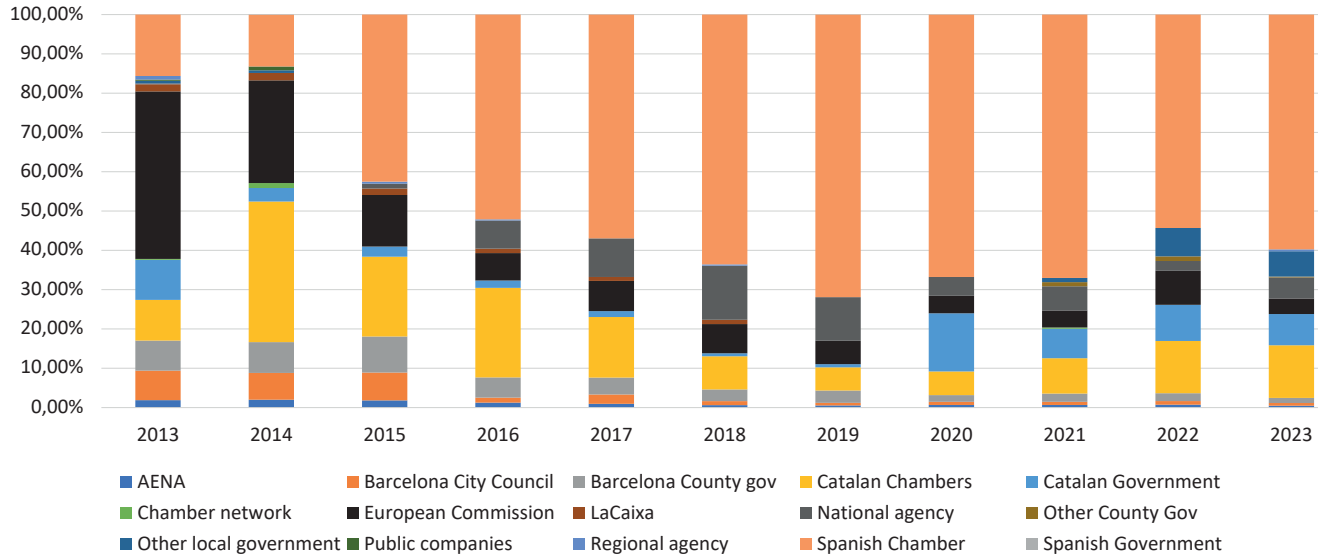
In the years prior to the approval of the new 2014 law, EU funding represented a significant percentage of the income that BCC obtained outside the provision of services and the mandatory fee. BCC's participation in EU projects brought it a constant income during the period under review. The European Commission considered BCC to be a reliable partner in 46 projects on issues related to business innovation, foreign trade, ecological transition, digitalization of companies, support for entrepreneurs and SMEs, as well as vocational training over the last ten years (see Table 1). However, looking at Graphs 3 and 4, it seems that income from EU programs has not made a difference in BCC's annual accounts in recent years as the Spanish Chamber of Commerce has become an essential source of funding. It seems that the Spanish Chamber of Commerce has become a kind of public agency for collecting public funds that it then distributes among local chambers. In fact, from 2016 onwards, the income that BCC receives from the Spanish Chamber of Commerce exceeds 50% of total public funding (see Graph 4). Thus, we could argue that the law that established that local chambers should not be financed with public funds is the same law that created the Spanish Chamber of Commerce, which, over the years, has ended up distributing a large amount of public funds to local chambers. The same law that projects a hybrid model of chambers oriented towards business management is the same law that allows this hybrid model to develop a strong dependence on public administration.

GRAPH 3: *Barcelona Chamber of Commerce's public funding, 2013–2023 (total amount)*



Source: own work with data from the Barcelona Chamber of Commerce's annual accounts.

GRAPH 4: Barcelona Chamber of Commerce's public funding, 2013–2023 (%)



Source: own work with data from the Barcelona Chamber of Commerce's annual accounts.

The signing of agreements with the Catalan government is another important source of income for BCC. The sum of all these funds is far from the relative weight of the income provided by the Spanish Chamber of Commerce, and its evolution has been erratic over the years. The Catalan government has collaborated with BCC on, for example, policies and programs related to air routes, economic promotion, agricultural fairs, business promotion for women, as well as the digitalization of Catalan companies. Through the Catalan Council of Chambers, the Catalan government has financed programs related to tourism, the internationalization of companies, and school vouchers, as well as the preparation of censuses on companies and the publication of reports. In addition, BCC has signed collaboration agreements with a number of Catalan town councils (Barcelona, Badalona, Girona, Olérdola, Mollet del Vallès, Vic, Viladecans), public agencies (*Consorts de Formació Continua*, *Consorts de Turisme de Barcelona*, *Fundación INCYDE*), public institutions (*Diputació de Barcelona*, *Diputació de Girona*, *Consell Comarcal del Vallès Oriental*), and private banks (CaixaBank), which demonstrates the importance for the Spanish chambers to increase their funding beyond voluntary contributions from companies and the sale of services.

TABLE 1: *Barcelona Chamber of Commerce's involvement in European Union projects, 2013–2023*

Project	Total funding (in €)	Period
1	2	3
Digital Interactive Graffiti	255,882.3	2013
Ideb Turquia	28,142.38	2013–2014
Innovacló Euro-Mediterranean Green Transition	6500	2022
4HELIX+	226,346.86	2018–2022
ACADEMY (Euromed Invest)	12,948.56	2015
BEE NET	119,016	2020–2021
BUSINESSMED	954.54	2018
CREA INNOVATION	188,825.41	2018–2021
CROSS RETOUR	4000	2023
Cybersudoe	72,226.97	2013–2015
DIG	335.49	2016
Dinamic	186,091.86	2013
EBSOMED	8000	2021
EIBN	10,527	2013–2014
Ent-Teach	29,079.81	2013–2014

TABLE 1 (cont.)

1	2	3
EUEINVOICING.CAT	48,809	2017–2019
EUROCHAMBRES	1454.69	2018
EUROPEAN ENTERPRISE NETWORK – EEN	1,662,808.07	2013–2023
EV ENERGY	147,408.29	2017–2021
Export Manager	65,939.84	2013–2014
Fad-Ins	78,661.31	2013–2014
Fea-Eev	35,810	2022–2023
GIGGIN POLICY	38,500	2021–2023
GMI	347,879.12	2013–2016
Go to Mediation	101,570.49	2013–2016
Green it	99,652.06	2013–2014
Innocrafts	61,177.77	2013–2014
KEYMOB	41,509	2018–2021
LIFE CLINOMICS	102,978.28	2017–2023
Medalogistics (SIL)	2714.21	2015
Medlation Meets Judges	6159.42	2014
MEDUSA	64,4066	2019–2023
PRE-SOLVE	41,082	2016–2018
Raise	42,687.38	2017–2018
RCIA CREATIVE INDUST	20,5892	2017–2022
Restart Med	128,500	2021–2023
Shaams	290,283.52	2013–2016
SMART FINANCE	130,053.24	2016–2020
SMETOOLS	110,951	2017–2019
START UP EYE	49,114.85	2016–2018
TEACH4SD	2400	2023
TEBD	10,920	2019–2021
Today's good news (PROMES)	50,567.2	2013–2014
Tok Toe	134,531.41	2013–2014
TOURBAN	194,909	2020–2023
Tourbit	86,500	2022–2023

S o u r c e: Prepared by the authors based on Barcelona Chamber of Commerce's annual accounts.

5. Conclusions

The aim of this article is to understand how the Barcelona Chamber of Commerce has transitioned from a public-law model to a hybrid model. The socialist government eliminated mandatory membership in the chambers by a royal decree approved in 2010, while in 2014, the conservative government introduced a series of new rules that turned the chambers into a kind of privately managed public agency dedicated to providing services to companies. If there was one thing that should characterize the hybrid model of chambers in Spain, it is private financing following market logic. Our analysis of the evolution of BCC's annual budgets over the last decade suggests a trend that is different from the "spirit" of the 2014 law. Except for during the first few years, the elimination of mandatory membership has not really endangered the survival of local chambers for one clear reason: funding from public administrations is becoming increasingly important. It is true, however, that this funding is obtained through competitive processes and is subject to strong accountability rules. Nevertheless, local chambers must now demonstrate their ability to manage public programs aimed at local companies, so this contributes to modernizing their organization by introducing a working philosophy based on efficient resource management.

In any case, our article shows that the transition from a public-law model to a hybrid model of chambers in Spain has brought them much closer to (or more dependent on) public administrations than before the 2007–2008 financial crisis. The preamble of the 2014 law stated that "the economic sustainability (of the chambers) must be guaranteed in the current economic context; hence, this Law establishes an income system based, fundamentally, on the services provided by the Chambers and on voluntary contributions from companies or entities"; however, the analysis of BCC's annual budgets shows a contrary trend. At this point, we do not know whether the trajectory of the vast majority of local chambers in Spain is similar to that described in this article. Our intuition is that the example of BCC extends throughout the country, especially if we consider the role that the Spanish Chamber of Commerce plays in redistributing public funds among local chambers. The Spanish Chamber of Commerce has become a real lifeline for BCC over the last decade, especially at a time when it was clear that income from the provision of services had stagnated.

The role played by the Spanish Chamber of Commerce somewhat overshadows the impact of EU projects on the recent development of BCC. Our data show that in 2013 and 2014, income from EU projects was of particular importance to BCC. As the Spanish Chamber of Commerce devotes itself more and more to financing BCC, the relative weight of funding from the EU

decreases in percentage terms, but not so much in absolute terms. The BCC has participated in 46 European projects in the last decade, some of which are still ongoing, which earned it more than €6 million between 2013 and 2023.

In short, in relation to the hypotheses put forward, our analysis rejects the notion that income from services provided to companies has become the main source of funding for BCC (H1). Since 2016, there has been a gradual increase in income from public administrations, which in recent years represents almost 50% of BCC's annual income. As previously noted, this change in trend is largely due to the role played by the Spanish Chamber of Commerce in providing funds to local chambers. Additionally, in relation to H2, it is also due to the increase in the number of public administrations, from the local to the European level, which show an interest in having BCC manage public services and programs targeting companies and local economies.

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