



Lobbying 101: how interest groups influence politicians and the public to get what they want

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Lobby groups have a lot to lose or gain in elections. Taras Vyshnya/Shutterstock

We see their spokespeople quoted in the papers and their ads on TV, but beyond that we know very little about how Australia's lobby groups get what they want.

This is the first article in our series on the strategies, political alignment and policy platforms of eight lobby groups that can influence this election.

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Over the past 20 years, lobbying activities in Australia have expanded dramatically. Following the United States' lead, where a radical shift in ideology in the 1970s led to a re-evaluation of the way corporations view their role in society, the notion of corporate "civic duty" has been replaced by a belief that governments and the public are fair game for special interests.

Now, lobbying in Australia is a multi-billion dollar industry which employs a sophisticated strategy to win public opinion and political favours for its clients or members.

Lobbying and the ‘revolving door’

Who is able to lobby, and the methods they can employ in doing so, is determined by a patchwork of laws designed to add some transparency to an otherwise murky process. There are, therefore, “official lobbyists” – individuals and firms for whom the frequency and import of their work requires them to register themselves.

Any interested party can engage the services of these professionals for a fee, but if a board member, union official, or other “concerned citizen” wants to meet with a political decision-maker, and perhaps even discuss a policy or infrastructure proposal over lunch, there’s little – other than a vigilant press, perhaps – to effectively prevent them from doing so.

So, political lobbying is not limited to those officially sanctioned as “registered lobbyists”. Its scope includes anyone who wants something and is willing to twist a government official’s arm to get it.

Lobbying consists of a range of strategies designed to co-opt or realign policy. Broadly, these strategies attempt to influence one of two key targets: government (including regulators) and the public.

In order to lobby politicians and regulators, lobbyists use campaign donations, letter writing campaigns, and try to build personal relationships. Lobbyists can also rely on morally dubious quid-pro-quo arrangements, such as jobs for friendly politicians at retirement.

This can lead to potential conflicts of interest. In the US, around 50% of ex-legislators become lobbyists. Although not to the same extent, this also occurs in Australia.

Alternatively, lobbying the public relies on advertisements, op-ed pieces, commissioned research, protests, and press releases to try and shift public opinion on a given issue.

Whether politicians or the public are targeted depends on their amenability. When dealing with Labor, for example, the Australian Council of Trade Unions will focus its efforts on meeting privately with Labor, and attacking the Liberal Party publicly. Demonstrations and ad campaigns are used to try and influence public opinion to that end, and played a key role in the 2007 election in attacking WorkChoices.



The ACTU's 2007 anti-WorkChoices campaign.

Similarly, business – which is more likely to have a combative relationship with Labor – will engage with the Liberal and (to a lesser extent) Nationals parties more positively, and engage in “public information” campaigns to exert political pressure on Labor, such as the mining tax campaign in 2010.

But these relationships make it harder for Labor to create policy at odds with union interests; and it's similarly difficult for the Liberal Party to put “big business” off-side. Doing so for either party alienates key allies, and the question of whether a policy is actually “good” for the country can become a secondary consideration.

The many faces of lobbying

While lobbying in Australia represents a wide range of interest groups, it has a high cost associated. This can mean that, to the extent that lobbying is effective, it disproportionately benefits big businesses and a wealthy elite who can afford to “pay the piper”.

And if an issue isn't adopted by unions – many important debates aren't – then the associated public debate can be one-sided.

Businesses are generally well represented. Peak bodies, such as the Business Council of Australia and the Property Council, ensure that even small and mid-sized businesses have a say. Further, the largest think-tanks, such as the Institute of Public Affairs, ensure that the ideology of business – low taxes and few regulations – is well reflected in public discourse.

By stark contrast, “grassroots” organisations such as GetUp! or the Australian Conservation Foundation, even when broadly representative of the views of a large proportion of the population, tend to have far fewer resources at their disposal for public relations or campaign financing. To that end, their ability to effectively lobby is severely undermined.

The problem is one of diffusion. Compare, for example, a lobby group that represents very few very-high-income members (be they individuals or businesses) with one that represents many of average or low incomes. If a lobby group thinks a policy might threaten its members' livelihood, it is far easier to draw large sums of money from wealthy few because, proportionately, the risk-reward ratio is much more in their favour.

When a policy is at odds with well-resourced interests, chipping in a few million towards a campaign is

far easier to do, as many mining magnates did in 2010.



The Association of Mining and Exploration Companies' anti-mining tax ad.

During that same time, despite claiming a million members, GetUp! was relatively under-resourced financially, and dramatically outspent by organisations such as the Minerals Council. As such, organisations like GetUp! are often forced to resort to social media, and hope that, predicated on humour, outrage or luck, their videos will go “viral”.



This January 2015 GetUp! ad explained the possible implications of the Trans-Pacific Partnership Agreement.

Election 2016

Elections unfailingly draw the attention and best efforts of lobby groups, which have a lot to gain or lose depending on which party takes power.

Labor has the unions on-side, which have been strangely quiet in the wake of the royal commission. But big business is disproportionately in the Coalition's camp.

The Property Council, along with the state and federal Real Estate Institutes, clearly view the mooted changes to negative gearing laws as a threat. To that end, they're pushing the message that removing negative gearing will devastate housing, one of Australia's biggest industries.



The Property Council of Australia's Don't Play with Property ad.

(The imagery of this ad is a strange choice – is this an admission that Australia's property market is indeed a house of cards?)

But the dark horse in this race is the banking industry. When Opposition Leader Bill Shorten signalled a royal commission into banks, the immediate response by the industry was to threaten a “mining tax-style campaign”.

Labor is still licking its wounds from the 2010 mining industry assault and is keen to avoid a repeat from a similarly well-resourced foe. But it knows the banking industry would be risking a lot in the battle for public sentiment, should it decide to wage a public relations war on Labor.

The proper role of lobbyists

Lobbying plays a critical role in Australia's representative democracy. The sheer plurality of voices in a country of 23 million ensures that Australia needs a system to filter and convey the views of the many to the few who represent them. To that end, the role of the lobbyist is critical.

However, the dangers of lobbying are great. The potential for regulatory and government capture by special interests, as well as the ability of powerful concentrated interests to drown out other voices in public debate, presents significant challenges for Australian democracy.

Consequentially, Australia would benefit from changing to disclosure rules on campaign financing. We should also re-evaluate the permissibility of the “revolving door” of politicians and the lobbying industry. More pressingly, in the wake of recent scandals around political donations, Australia may need a national corruption watchdog along the lines of NSW’s Independent Commission Against Corruption.

Not all of these challenges can or should be tackled legislatively, but the potential of lobbying to undermine democratic ideals means reform is needed. The sooner the better.

*Stay tuned for the rest of *The Conversation’s Australian lobby groups series, which will profile individual interest groups.**

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