

# UNDER *pressure*

*Australian government policy is increasingly coming under pressure from well-connected lobbyists. Are we headed for a US-style future?*

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**POLITICAL LOBBYING IS NOTHING NEW – BUT IN AUSTRALIA, THERE’S INCREASING CONCERN ABOUT THE INFLUENCE OF CORPORATIONS AND VESTED INTERESTS ON GOVERNMENT POLICY, THROUGH POLITICAL DONATIONS AND MEDIA CAMPAIGNS.**

And while grassroots campaigns by non-government organisations (NGOs) can tap into social media to get broad public support, these lobby groups are up against powerful and well-financed professionals when it comes to influencing government policy.

Dr Li Ji (PhD International Communications 2013) is a researcher at the Soft Power, Analysis and Resource Centre (SPARC) at Macquarie, where her research investigates the ethical use of ‘soft power’ in public diplomacy and governance, and how it is used to build relations between nations, organisations and communities.

She says that the terms soft and hard power, used primarily in international relations, also provide a lens for understanding the exercise of influence in a national context.

“If a political donation attempts to influence the behaviour of a politician in a way preferred by the donor, or manipulate the policy making process, that is considered hard power,” she explains, comparing this to foreign aid that comes with strings attached.

“Soft power is based on attraction, while hard power is forceful and coercive

Governments control people not only through (hard) decision-making power, but also through ideological power that can shape ideas, beliefs and perceptions.”

She says that in democracies, in a domestic context, soft power represents public perception, values and preferences and weighs heavily on the policy making process.

“Hard power such as public protests can certainly have immediate effects on the political conversation between NGOs and the government,” she adds.

Ji argues that powerful non-governmental organisations such as GetUp or the Climate Council have a strong influence on policy making through the exercise of soft power.

“NGOs normally represent civil society, and defend the weak and powerless against powerful governments and big business.”

By campaigning around policy issues like climate change, gender issues, migration or disarmament, they aim to influence the policy-making process, she explains.

“NGOs are a powerful force in influencing public opinion and receive significant media attention to achieve their agenda,” she says, adding that their approaches can include subtle manipulation of media.

“They achieve their preferred outcomes through effective soft-power strategies including media agenda-setting and framing campaigns and events.”

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**INFLUENCE, DONATIONS AND EXPLOITATIONS**

Industry groups have responded to this exercise of community soft power through campaigns of their own that attempt to persuade the public.

Soft power exercised in this form can be ineffective however – one recent campaign subject to a spectacular public backlash was the Mineral Council of Australia’s ‘Coal is Amazing’ campaign, which attracted numerous spoof videos.

Political donations are ostensibly given without ties to policy outcomes, with some organisations making donations to both of Australia’s major political parties.

But, Dr Ben Spies-Butcher, who teaches economic sociology in Macquarie’s

Department of Sociology, says that while Australia does have a few restrictions on political donations, the system is ripe for exploitation – and the consequence of its abuse is a government that governs for the few, not for the many.

In New South Wales, the Independent Commission against Corruption has laid bare numerous cases of political corruption through donations to parties and individuals, and Australia's High Court recently upheld the State Government's ban on political donations from property developers against an industry challenge.

Spies-Butcher says that in recent decades, corporations around the world have worked to increase their influence on government through direct financial pressure – such as political donations that come with expectations of legislative payback – and through indirect measures such as well-funded media campaigns and sophisticated lobbying.

He says that while there is little research in Australia directly linking political influence and democratic outcomes, there are signs that patterns found in the US are reflected here.

“Research in the US by political scientists Hacker and Pierson has shown that the increasing inequity in wealth is directly linked to political influence,” Spies-Butcher says.

“The top one per cent of people by wealth have seen their incomes skyrocket and that's due to their influence on laws that reduce taxes, keep wages low and cut regulations on industry.”

Spies-Butcher says that the other way that industry and private interests can influence government is through media campaigns and advertising as well as through lobbying media owners to take a particular policy position.

Media influence may be less obvious in terms of its impact on power but it is still a way of undermining its democratic process, he adds.

“In a democracy, the fundamental concept is that all votes should count equally, but the exertion of political influence through donations and lobbying and through the ability to influence through media control, means that there isn't equal access in getting your voice heard.”



### **POLITICAL DONATIONS – A SLIPPERY SLOPE**

One of the most obvious ways that corporations and individuals exert influence on government policy is through donations to political parties.

“This is definitely an area where states can regulate to control this kind of influence, but too often it doesn't happen because political parties would be acting against their own interests,” says Spies-Butcher.

Former Federal Liberal leader John Hewson believes public funding of political parties is the best strategy to reduce the influence of donors and has called for the banning of all corporate and union political donations and for individual donations to be limited to \$1000.

Dr Diana Perche (M Politics and Public Policy, 2003) is Director of the Master of Politics and Public Policy program at Macquarie where her research includes a focus on Indigenous affairs.

She says that commercial interests have always held sway over government policy and her work on policy decisions around Indigenous land between the 1960s and 1980s shows the huge influence of mining companies on government policy.

These are often at a state and local level, she says, making it harder to track.

“Changes made to the Land Rights Act in the Northern Territory in 2006 worked in favour of the mining industry by weakening the power of Land Councils,” she explains.

These changes reversed many of the provisions allowing Aboriginal people to have control over certain ‘community living area’ titles, land grants that had been excised from pastoral leases for Indigenous communities and which excluded mining and exploration and could not be sold.

Control of the land was given to government, which could then allocate use of the land to resources companies.

“While there's no obvious direct financial benefit, powerful groups receive benefits from government that are often quite hard to discern. Sometimes it can involve a very detailed analysis of legislation, tracing things in enormous detail to actually work out where the benefits are going. It's then easy to hide that sort of thing.”

The most glaring recent example of mining industry influence, she says, was the changes to the Resources Super Profits Tax proposal.

“Then, clearly, the dismantling of the mining tax when Abbott was elected was quite obviously the result of intense lobbying by the mining industry to essentially shut down this public revenue source.”



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However, she says, a bipartisan approach is often key to effective policy change.

“For example, both sides of politics took very conscious decisions in the late 80s and early 90s to push back against the tobacco industry, and we’re seeing fantastic results now. It’s not an easy path for governments to continue to limit tobacco consumption and tobacco advertising and plain packaging of cigarettes; it’s an enormous battle to fight.”

When the Liberal Party still accepts donations from tobacco companies, she says, there’s less incentive to stand firm against industry lobbying.

### SUBTLE INFLUENCE

Perche says that the exertion of political power is more subtle than most people are aware of.

“While there are very overt actions, such as the media campaigns and political donations, there are also covert actions. The public will never know about [a lot of the influence being wielded], because there are phone calls and direct access at functions and so on that never come out into the open.”

But she is less optimistic about the ability for NGOs to influence policy.

“While organisations like GetUp and Oxfam and some of the refugee action groups are very savvy and very good at using the available technology to build large numbers of people into campaigns very quickly, I don’t think they necessarily get significant changes through.”

They can, however, make things uncomfortable for politicians, with some campaigns resulting in small, reactive change, although Perche says that the response is often “symbolic, rather than wholesale policy change”.

One symbolic change that was very significant was the Apology to Stolen Generations by Kevin Rudd.

“That was a very significant event – but that apology was the end of decades of activism and campaigning and researching and working very hard to tell the stories of the people who had been affected through the stolen generations.”

Perche says that another significant Indigenous policy that demonstrates the breach between government policy action and community lobbying is Closing the Gap.

“There’s a significant difference between Closing the Gap, which is the government’s policy about addressing Indigenous disadvantage – and the campaign run by an Indigenous NGO, Close the Gap.”

The government program measures some health and education indicators, however, while the NGO campaign also addresses health and life expectancy, it has a strong focus on human rights, Indigenous self-empowerment and self-determination.

“There’s a big difference between the lobbying and the government response,” Perche says. ❖

### THE SOFTER ALTERNATIVE

Home to a team of researchers committed to the diplomatic approach to achieving strategic objectives, Macquarie University’s Soft Power Analysis and Resource Centre (SPARC) is the first of its kind in Australia.

SPARC’s activities focus on quietly nurturing relationships between Australia, China and India, the growing importance of India-China cooperation and exploring new approaches to building international relations through soft power and public diplomacy.

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