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Introduction

MANY different terms are used to describe the exercise of influence on political decision-makers. The variety and range of language reflects the controversy that surrounds the activity. Is the act of lobbying, the attempt to exercise such influence, a perversion of the democratic process that promotes the interests of the rich and powerful at the expense of the less well-off and the public interest? Or is it simply an application of the principle of freedom of association that improves the democratic progress by enhancing the range and quality of information available to decision-makers?

The term 'lobbying' derives from the particular location in which the activity supposedly takes place, the parliamentary or legislative lobby. In practice, most lobbying takes place elsewhere: in government offices, in restaurants or online. An alternative term to describe the organisations involved is pressure groups, which could imply that the application of 'pressure' is in some way improper or involves the misuse of sanctions. More positive terminology is found in terms such as 'campaign group', 'altruistic group' or 'advocacy group', although these are usually applied to groups promoting a particular cause rather than lobbies representing sectional interests. The actual terminology used is important in conveying an impression of an organisation. The Council for the Preservation of Rural England rebranded itself as the Campaign to Protect Rural England in 2002 to counter the impression that it was a backward-looking, establishment charity or statutory body. It should also be noted

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that some cause groups are effectively 'protest businesses', with chequebook or direct debit memberships who have little opportunity to shape the policies of the organisation to which they belong.

More neutral terms are 'interest group', 'stakeholder' and 'non-governmental organisation' (NGO), although the latter term undoubtedly carries more favourable connotations than the former. The term NGO was devised by the United Nations in 1945 to refer to organisations that qualified for its Economic and Social Committee. In its original form it referred to a wide spectrum of organisations that were neither part of the state nor engaged in market activity. Its common use now is to refer to groups that fight for a particular cause such as the protection of the environment or aid to the Global South. It is usual to apply a 'public interest' or benevolence test to their activities.

The Edelman trust survey has shown for many years that there is more public trust in NGOs than in the media, business or government. NGOs are 'consistently seen to be the most trustworthy organisations in society, in survey after survey' (Keating and Thrandardottir, 2017: 141). Individuals who feel an ideological or solidarity connection with an NGO are more likely to perceive it as trustworthy. However, this trust is a fragile resource that needs to be nurtured. 'Issues of NGO trustworthiness came into renewed focus in the 1990s with several publications that questioned whether NGOs were the saviours they claimed to be' (Keating and Thrandardottir, 2017: 135).

'Interest group' may be taken to refer to an organisation that represents a particular section of society, such as an industry, a profession, or a group of workers or farmers. Their function is to look after the common interests of a sector of society and their membership is normally restricted to that sector. 'Stakeholder' is a term used in government, and carries with it the implication that the lobby or cause has a legitimate interest in the topic under discussion. It also avoids some of the more pejorative terms.

The case for lobbying

The freedom to associate is at the heart of liberal democracy and the presence of a vast array of political associations in a country could be seen as a sign of a healthy civil society in which citizens are freely able to express their views. Autocracies either prohibit their citizens from joining associations other than state-approved or organised bodies, or at the very least associations enjoy a perilous existence, with their offices raided or their activists imprisoned.

Democracy goes beyond the act of voting, important though that is. Citizens need opportunities to participate in the political process, to express their views and to share and develop them with others. It should be noted that most political organisations offer relatively limited opportunities for democratic citizenship. In many 'protest businesses', internal democracy is very limited. Greenpeace, for example, is a hierarchical organisation that has 'supporters' rather than 'members'. 'The purpose of the Greenpeace supporter was not so much to reflect on the nature of the problem, but to take action in promoting a solution which had already been set out by the NGO itself' (Hilton et al., 2013: 21).

Such 'followership' organisations were not welcome to those who saw campaigning organisations as part of a solution to declining democratic engagement. 'There is a concern that groups – and the group system in aggregate – are becoming less capable as democratic actors in their own right' (Halpin, 2014: 8). It has been argued that early twentieth-century groups were often based on branch structures and membership engagement, but such groups are now the exception rather than the rule. Professional staffs have taken over and memberships are there to provide financial support and at best to be mobilised rather than to participate.

That is not to say that members are dissatisfied with a passive support as distinct from an active engagement model. Even when opportunities are provided to vote on the organisation's leadership or policies, the majority of members generally do not

take them up. Apart from the Automobile Association, which is really a commercial service organisation, the National Trust is the largest mass membership organisation in Britain, with over four million members. Members can vote online or by post, but only around 25,000 voted on resolutions at the 2016 annual general meeting, with the most successful candidate for election to the council receiving just under 17,000 votes. The vast majority of members join to gain access to the Trust's properties rather than to shape its conservation policies.

Nevertheless, representative organisations take democracy beyond a simple head-counting exercise to reflect the intensity of views held by citizens. They provide an additional route for political participation, allowing citizens to develop political skills that may be applied elsewhere in the political process. Hence they are a source of social capital. They may encourage citizens to feel that they are fully involved in the political process and that it is responsive to them. They may therefore counter political exclusion, particularly at a time when more conventional forms of political involvement are declining. They allow a diversity of opinions to be expressed, which is important in a more fragmented society, and they facilitate views that are more 'fine grained' than those expressed by political parties. They also offer a chance for minority and disadvantaged groups to argue their case. This addresses a tension at the heart of democratic government. Democracy is a majoritarian form of government, but it also aspires to protect minority rights.

It should also be noted that the internal democracy test is not necessarily an appropriate one to apply to a lobbying group. Halpin has argued that internal democratic structures are not achievable when an NGO's principal concern is with solidarity, advocating on behalf of non-human constituencies such as animals or concerned with the fate of future generations with regard to such issues as climate change. They may resort to claims based on evidence or moral authority rather than membership endorsement of their policies. Not all groups are capable of representation. There is a tension between democratisation projects and those concerned with tackling political exclusion.

An insistence on 'internal democracy and participation as a pre-requisite to access would simply remove a large number of NGOs from formalised political forums' (Halpin, 2009: 76).

Lobbies can provide information which can improve the quality of decision-making. Britain has a generalist civil service, and although it has some specialists, they are often stretched in terms of their ability to contribute to decision-making. Moreover, there are some topics on which even the specialists will not be well informed. Lobbying organisations may have a better understanding of these issues, or at least be able to obtain the necessary information from their members. They can simplify the policy task by reducing uncertainty and helping to define what the key issues are. This process of issue definition is, of itself, a means of exerting influence.

It could be argued that there is an incentive for lobbies to distort such information, or at least to present it in a selective or partial way that serves the interests of their members. That is always a risk. However, it should be remembered that lobbying is usually a 'repeated game'. Lobbyists will be engaging with decision-makers on a variety of issues in the longer run. If they provide inaccurate or incomplete information to decision-makers, their reputation will be damaged and they will lose credibility and the trust of those they are seeking to influence.

As well as helping with the design of policies, lobbies can help to secure their effective implementation. In part this is a question of what might or might not work. For example, what sorts of incentives and penalties would encourage firms to provide more training for their workers? Sectoral organisations can also encourage their members to implement government policies, for example by staging joint events to explain the policies and how they might be beneficial.

Groups can create and maintain private regulatory regimes which involve systems of private accreditation, for example certifying foods as organic (the Soil Association) or as meeting animal welfare standards (the RSPCA). Government is then relieved of the cost and effort of creating such regimes itself and, if anything goes wrong, the blame attaches to the body

organising them. However, privatised regulation can be less transparent and accountable.

The case against lobbying

The case against lobbying rests on the contention that it creates or reinforces biases in the polity, in particular by ensuring that some interests are more effectively represented than others, or even that some are not represented at all. As Cave and Rowell argue (2015: 9), 'Commercial lobbyists acting for particular, narrow interests bend our system of government to their will to such an extent that it can be said to no longer serve the interests of the wider public.'

The rebuttal of this critique of lobbying was provided by pluralist thinkers, in particular David B. Truman (1951) in his book *The Governmental Process.* One of his objectives was to 'detoxify' interest groups and to show that they were not a threat to the stability and survival of representative democracy. Two concepts were central to his analysis. These are, first, the notion of multiple or overlapping membership and, second, the function of unorganised interests, or potential interest groups (Truman, 1951: 508). It was these concepts that he saw as central to the compatibility of interest group activity with representative democracy, and hence as a principal means of rebutting the more pathological accounts of 'the lobby'. For Truman it was 'multiple memberships in potential groups based on widely held and accepted interests that serve as a balance wheel in a political system like that of the United States' (Truman, 1951: 514).

Truman was forced to admit that even in the United States there were limits to the pattern of overlapping memberships. This made the concept of potential groups and the way in which one interest would be 'countervailed' by another, for example, business by organised labour, even more important. This aspect of his work was systematically criticised by Mancur Olson (1965). Olson is scathing about the assumption that interests

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simply organise spontaneously when the need arises. Truman and the other pluralists overlook the free rider problem:

> They must show *why* the individual member of the large, latent group will voluntarily support the group goal when his support will not in any case be decisive in seeing that the group goal is achieved, and when he would be as likely to get the benefits from the attainment of that goal whether he had worked for its attainment or not. (Olson, 1965: 129)

Critics of lobbying have been particularly concerned about what they see as the excessive influence of corporate business interests, particularly large multinational companies which may have their own government relations divisions lobbying on their behalf, as well as being active in a variety of business associations. Truman is in greater difficulty in terms of his account of the role of business interests in a democratic polity. His perspective admitted that business was a privileged interest but that this position had been earned through its contribution to the prosperity of American society. Olson and Lindblom have subsequently argued that there are structural and systemic reasons why business is an interest like no other. It should be noted that their arguments were advanced before the onset of globalisation, which has further strengthened the position of multinational companies in relation to national governments.

Lindblom's critique was particularly influential because he was writing from within the pluralist tradition. His analysis was based 'on the absolute dependence of governments for their popularity and legitimacy on economic success, and their perception that they depended for that success on the business community' (Crouch, 2010: 155). Lindblom argued that business executives did not have to pressure, bribe or coerce governments to respect their policy preferences. He believed that fundamental issues such as private property and enterprise autonomy are kept off the political agenda, with disagreements between government and business being confined to secondary issues such as the particulars of regulation.

More generally, there is an issue about the power of concentrated versus diffuse interests. Consider the position of farmers in relation to consumers and taxpayers. Farmers have a strong sense of identity as farmers. This has helped to make the National Farmers' Union (NFU) one of the most effective lobbying organisations in England and Wales (there are separate organisations for Scotland and Northern Ireland). Farmers have benefited from substantial subsidies and tariff protection, which has imposed costs on taxpayers and on consumers in the form of higher food prices. However, taxpayers are likely to be unaware of how much of their taxes are spent on farm subsidies, and consumers are unlikely to be unaware of how prices in the shops are affected. The benefits to farmers are concentrated on one group, while the costs to taxpayers and consumers are diffused over a large number of people.

Very broad interests like those of consumers and taxpayers are very difficult to organise. They are in reality very heterogeneous groups with different priorities and interests. Taxpayers pay different amounts of tax. Some of them may accept taxation as the price to be paid for public services; others may resent the level of taxation and prefer more limited forms of government. Young, single people are often quite heavily taxed, but consume relatively little in the way of public services. Consumers may vary considerably in their levels of risk averseness and how much time they are prepared to invest in comparing alternative products.

The Consumers' Association in the UK has effectively proceeded through a business model in which its traded services pay for its advocacy work. Subscribers pay for access to its magazine *Which?* and other services. It has been able to build up an impressive membership of 573,000, but this is a small fraction of all consumers in the UK. What an organisation such as the Consumers' Association stands for is clear enough. However, what lies behind organisations representing specific segments of consumers is sometimes less clear. On the face of it, organisations that represent patients suffering from medical conditions are there to raise awareness of the condition and encourage research into new treatments. Many of these organ-

isations receive funding from pharmaceutical companies. They can be very effective advocates for the use or wider adoption of expensive drugs.

In the United States use has been made of 'astroturf' organisations, which are bodies that appear to be independent and often have words such as 'citizen' in their title, but in fact have been set up and funded on behalf of particular commercial interests such as those in the pharmaceutical industry. This practice has been less common in the UK, but has been spreading from the United States. The pharmaceutical company Roche employed Weber Shandwick to run a campaign to increase government expenditure on cancer drugs. The resultant body, Cancer United, claimed to represent a coalition of healthcare professionals, but 'there was no mention of it being entirely funded by Roche' (Cave and Rowell, 2015: 137). What this points to is the need for transparency in relation to the activities of lobbying organisations.

Particularly difficult to trace are the 'hidden bargains', where there has not necessarily been interaction between lobbyists and government, but where there is an unspoken understanding of how they might mutually benefit. Government does not have to be actively lobbied to recognise the importance of protecting the interests of the financial services industry in, for example, the Brexit negotiations. It is aware of the contribution that the sector makes to taxation, to employment and to GDP. That does not mean, of course, that lobbying does not take place, particularly when a sector is vulnerable. '[The] large number of meetings ministers held with the representatives of banks between 2010 and 2015 may be a measure not of their political strength but of their vulnerability' (Dommett, Hindmoor and Wood, 2017: 390). However, in those meetings, banks were able to draw on shared understandings of their importance to the UK economy.

Government's relations with the retail sector provide a classic example of this form of 'hidden bargain'. Britain has a highly concentrated food retail sector. There has been a shift of power down the food chain from the farmer and food processor to the retailer. Using their market power, the large multiple

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retailers have been able to impose increasingly demanding conditions on manufacturers and primary producers, squeezing their margins. The producers have in turn complained through their representative organisations about various retailer practices such as contributing to the cost of new store openings or paying for favourable placement of their goods in store. The government did create a supermarket ombudsman in response, but with relatively limited powers. The competition for market share between large retailers helps to hold down prices. This in turn restrains inflation and in particular reduces its impact on lower-income families, a key area of concern for governments. It does not suit the interests of government to restrain the market power of supermarkets too much.

Conclusions: implications for democracy

The expansion and greater sophistication of lobbying makes the task of government more difficult. Lobbyists make demands of government, but they do not provide solutions. They ask for more funding for a particular activity or request new regulations. They do not have to consider the opportunity cost of their requests. For example, a patient group is likely to get a sympathetic hearing from the media when it requests more funding to treat a particular condition. It does not have to say where that funding should come from.

One solution that was advanced in the past was to incorporate pressure groups into the business of government, particularly the major economic interest groups such as the Confederation of British Industry and the Trades Union Congress. This approach had its heyday in the 1970s under the Heath and Wilson governments and was referred to as 'tripartism' or 'neo-corporatism'. It reflected a time when government was more interventionist in the economy, particularly in terms of prices and incomes policies, which required the consent and active cooperation of organised employers and trade unions. This form of cooperation did not survive under the Thatcher

government, which was less interventionist and was suspicious of such arrangements. In any case, the tripartite partners had difficulty in delivering the cooperation of their members.

Political parties traditionally performed the function of aggregating a range of demands from society and deciding on priorities in the face of limited resources. However, even given a revival in the membership of the Labour Party, pressure group memberships far outweigh those of political parties. The Royal Society for the Protection of Birds (RSPB), with 1.2 million members, has more members than all the political parties combined. It has also made a considerable investment in public policy issues, with a staff of around 45 in the public policy area, far more than the much larger National Trust. This investment paid off for the RSPB in securing 31 meetings with senior ministers during the lifetime of the Coalition government from 2010 to 2015, although the National Trust managed 25 such meetings.

Government cannot satisfy all the demands made by lobbyists, but it may seem to be particularly susceptible to those made by corporate interests. This can undermine citizen confidence in the capacity of government and hence in the democratic process.