

Who Pays the Piper?

The Funding of Political Campaigning in the UK, US and the Consequences for Political Marketing and Public Affairs

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SUMMARY. This paper, using research from the UK and comparable US studies, looks at the growth in party fundraising, ethics of the process, impact on electoral systems, candidates, parties, campaigning and methods of obtaining funds (one donor in the UK has recently agreed to give £5million to the Conservative Party because they are anti EU whilst Labour gained £1million from the smoking lobby in 1997). It then links this to a growth in strategic public affairs and outlines the direct causal link between political lobbying and party fundraising. [Article copies available for a fee from The Haworth Document Delivery Service: 1-800- HAWORTH. E-mail address: <getinfo@haworthpressinc.com> Website: <<http://www.HaworthPress.com>> © 2002 by The Haworth Press, Inc. All rights reserved.]

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[Haworth co-indexing entry note]: "Who Pays the Piper? The Funding of Political Campaigning in the UK, US and the Consequences for Political Marketing and Public Affairs." Harris, Phil. Co-published simultaneously in *Journal of Political Marketing* (The Haworth Political Press, an imprint of The Haworth Press, Inc.) Vol. 1, No. 2/3, 2002, pp. 89-107; and: *Communication of Politics: Cross-Cultural Theory Building in the Practice of Public Relations and Political Marketing* (eds: Bruce I. Newman, and Dejan Verčič) The Haworth Political Press, an imprint of The Haworth Press, Inc., 2002, pp. 89-107. Single or multiple copies of this article are available for a fee from The Haworth Document Delivery Service [1-800-HAWORTH, 9:00 a.m. - 5:00 p.m. (EST). E-mail address: getinfo@haworthpressinc.com].

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10.1300/J199v01n02_07

KEYWORDS. Political campaigning, political marketing, public affairs, United Kingdom, United States

INTRODUCTION

The role and significance of political marketing in modern politics is widely debated, with political consultants, pundits and government bodies (Neill, 1998) arguing its increasing impact, whilst many politicians deny its effectiveness or relevance. If the latter is the case then it is surprising that the British Political parties spent over £50 million on campaigning in the 1997 General Election Campaign, whilst the US Presidential Campaign and associated campaigning of 2000 exceeded \$3 billion in total expenditure (*Washington Post*, November 16th, 2000). Latest estimates suggest that in the UK a similar amount of expenditure was spent in 2001 as in 1997 a fall in real terms. Part of this is probably a result of the political parties having to spend money over a delayed and extended campaign period and diminished funds within the Conservative Party. There was supposed to be an electoral ceiling on expenditure, yet the new regulatory body in the area, the Electoral Commission has admitted it cannot police expenditure. What implications does this growing cost of election campaigning have on democratic politics? Who is funding this escalating cost and what are the implications for policy making? How is influence exerted and what conclusions can we draw for political marketing and public affairs are explored.

THE UNITED STATES OF AMERICA

The concept of political marketing originated in the United States (Cutlip, 1994; Kavanagh, 1995). Some writers see its beginnings in the 1950s and 1960s (Maarek, 1995; Beresford, 1998) or at the beginning of the century (McNair, 1996). It has been argued that political marketing became inevitable because of a mass electorate and development of the mass media (Harrop, 1990). According to Mareek (1995), the main factors responsible for the early development of the phenomenon in the US were the presidential system, the tradition of election for all public offices and rapid expansion of modern mass media. The US also provides a good example of early usage of typical marketing tools, such as direct mail, political advertising and publicity stunts in political communication (Rothschild, 1978; Melder, 1992; Newman, 1994 and 1999). More recently there has been increasing concerns raised at the scale and size of campaign funds and their impact on the democratic process, for instance,

remonstrances by McCain after his unsuccessful bid for the Republican Presidential nomination (*Washington Post*, 25th June 2000).

US ELECTION EXPENDITURE

In Article I, section 4, and Article II, section 1, the US Constitution authorizes Congress to regulate federal elections. But, just as plainly, that regulation must conform to restraints imposed by the First Amendment to the Constitution. And here, the Supreme Court has said repeatedly that, under the First Amendment, campaign contributions and expenditures are protected speech.

Thus, more precisely, the Court has said that the regulation of political contributions and expenditures will be upheld only if they achieve a compelling governmental interest by the least restrictive means—the most difficult of constitutional hurdles. Recently, the Cato Institute published two studies—one by Professor Lillian R. BeVier of the University of Virginia School of Law, the other co-authored by attorneys Douglas Johnson of the National Right to Life Committee and Mike Beard of the Coalition to Stop Gun Violence—both of which concluded that campaign finance reform proposals put before Congress would not pass a constitutional vote.

Modern federal election campaign finance regulation stems from the Federal Election Campaign Act of 1971 (FECA), as amended in 1974. Two years later, in the landmark case of *Buckley v. Valeo*, the Supreme Court struck down many of the 1974 revisions as impermissible under the First Amendment.

Since then the Federal Election Commission (FEC) has fought to close the perceived “loopholes” created by *Buckley*. In response, the Court has repeatedly held that the First Amendment is not a loophole. Most recently, the Court held 7 to 2 in *Colorado Republican Federal Campaign Committee v. FEC* that independent expenditures by political parties cannot be limited by Congress. Then in April of this year, as if to underscore the long series of cases since *Buckley*, the Fourth Circuit took the extraordinary step of ordering the FEC to pay the legal fees incurred by the Christian Action Network in defending itself from an FEC lawsuit. Yet despite that string of cases, now spanning more than two decades, many in Congress persist in believing that they have the power to restrict what the First Amendment was plainly written and meant to protect. Thus, it is worth examining, if only in outline, just why the Constitution does not permit such restrictions.

In his June 3rd Outlook piece in the *Washington Post*, "It's Not Corruption, It's Politics," Peter J. Wallison argued that the Supreme Court should overturn the congressional limitation on what political parties can spend in coordination with their federal candidates. He said the current hard money limit on what an individual can give to a single party committee makes it "unlikely" that a contributor could unduly influence a candidate through a party contribution.

However, this \$20,000 limit means that a couple can give \$80,000 per two-year House election cycle or \$240,000 per six-year Senate cycle to a national political party committee. Moreover, with the expanding range of fundraising schemes—such as bundling contributions, spousal tag teams, contributor swapping, joint fundraising programs and tally programs—no candidate or committee stands in isolation from others in the party.

Lawrence Noble, Executive Director of the Center for Responsive Politics, has found that financial, insurance and real estate sector was able to contribute more than \$28 million in hard money to Republican National Party committees and more than \$21 million to the Democratic National Party committees in the 1999-2000 election cycle.

Wallison also dismisses the massive soft money elephant sitting in the middle of the room. When soft and hard money contributions are added together, the same financial, insurance and real estate sector gave more than \$89 million to the Republican National Party committees and more than \$66 million to the Democratic National Party committees in the last election cycle.

If the Supreme Court does strike down the decades-old limit on what the party committees can spend in coordination with their candidates, it will only further allow the party committees to act as clearinghouses for the interests of those whose hard and soft money largess seems to know no bounds.

UNITED KINGDOM

In Britain, political marketing as a phenomenon acquired significance in the 1980s under the political party leaderships of Margaret Thatcher and Neil Kinnock who aimed to integrate all political communications and control the news agendas. However, it has also been suggested that major political parties have been engaged in marketing related activities for most of the twentieth century (Harrop, 1990; Kavanagh, 1995; Wring, 1996). There has been a significant increase in focus on the packaging and presentation of leaders, partly due to the move of the Labour Party to-

wards the centre right ground (Foley, 1993; Jones, 1995; Harris, Lock, and Roberts, 1999) replicating Clinton Democrat positioning strategy.

As in the USA, television has the most significant impact on political communication and is the factor which dominates all other considerations by party strategists which is the battle to dominate the television agenda (Butler and Kavanagh, 1992; Crewe and Gosschalk, 1995; Scammell, 1995). These developments in campaign communications have resulted in the dramatic increase in the potential influence of the media (Norris, 1997b) and the demand for larger campaign funds.

Table 1 represents known centrally spent campaign funds as reported to the UK Committee of Standards in Public Life (Neill, 1998) by the political parties in 1997 and does not include the smaller or regional parties or regional expenditure; if these are taken into account, then 1997 expenditure would exceed £80 million.

CAMPAIGN EXPENDITURE BY POLITICAL PARTIES IN THE UK

The Political Parties, Elections and Referendums Act 2000 for the first time introduced limits on campaign expenditure by political parties. The controls normally apply in the 365 days before the date of a general election, however, special arrangements apply to this election as the controls only came into force on 16 February 2001. The limits will apply to campaign expenditure incurred from that date to the date of the poll. The limit on expenditure applies to “qualifying expenses”: these include expenses in respect of advertising, the production of party election broadcasts, direct mail, the production of a manifesto, canvassing and election rallies.

TABLE 1. Expenditure by the Major UK Political Parties in the 1997 General Election

Political Party	Expenditure During Campaign
Labour Party	£25,700,000
Conservative Party	£28,300,000
Liberal Democrat Party	£2,300,000

Source: Neill of Bladen (1998)

The limit on what a party may spend is determined by the number of seats it contests. Parties in the 2001 Election received an allowance of £24,000 per constituency. Separate limits applied to expenditure in each of England, Scotland, Wales and Northern Ireland. A party that contests all constituencies in each part of the United Kingdom may, therefore, spend up to:

Parties are required to submit a return to the Electoral Commission within three months of the date of the election or, if the total expenditure

England (529 constituencies)	£12,696,000
Scotland (72 constituencies)	£1,728,000
Wales (40 constituencies)	£960,000
Northern Ireland (18 constituencies)	£432,000
Total	£15,816,000

Source: Electoral Commission 2001

exceeds £250,000, within six months of the election. Where a party's expenditure exceeds £250,000 the return is required to be audited. A party that exceeds the limits on campaign expenditure is liable on conviction (on indictment) to an unlimited fine. The result of the election is unaffected by such a conviction.

DONATIONS TO POLITICAL PARTIES DURING THE ELECTION PERIOD

Under the Political Parties, Elections and Referendums Act 2000 political parties are required to submit a quarterly return to the Electoral Commission detailing donations it has accepted in excess of £5,000 (when received by the party's central organisation) or of £1,000 (when received by a constituency association or other sub-unit of the party). Donation reports must include the name and address of the donor and the precise amount of the donation. The reports are published by the Electoral Commission, although the addresses of individual donors are not disclosed.

During an election period—that is, the period beginning with the day on which Her Majesty's intention to dissolve Parliament is announced and ending with the date of the poll—parties are required to submit weekly donation reports. These weekly donation reports should detail donations in ex-

cess of £5,000 received by the central organisation of the party. A party has 30 days in which to decide whether to accept a donation. Consequently, the fact that a donation appears in a weekly donation report does not mean that the party has decided to accept a donation.

DONATIONS IN THE UK

The biggest ever single recorded donation to a British political party was reported in the Guardian Newspaper in May, ahead of the General Election campaign when the Conservative Party announced that they had received a £5m donation from a city betting entrepreneur. The money, from Stuart Wheeler, the 65-year-old head of the IG betting index, was said to come without strings and was prompted by his “admiration” for the Tory leader, William Hague. Who, post the election, is no more.

The move moved political parties another step away from funding by ordinary memberships and small-scale voluntary donations. Just after Christmas, Labour announced that it had received donations of £2m from millionaire publisher Lord Hamlyn and philanthropist Christopher Ondaatje. The party also received a promise of £2m from the science minister, Lord Sainsbury, towards its electoral campaign war chest.

The £5m donation came as a relief to the Conservatives, who have been short of funds from business and consequently over-dependent on their party treasurer, Lord Ashcroft. There is now an election expenditure ceiling in operation in the UK of £15m on election campaign spending, although this will be difficult to police. It is suspected that actual campaign expenditure will be similar to 1997, Mr. Wheeler’s largesse will cover a third of the Conservatives’ election expenditure.

Although the government is imposing a spending cap on election campaign expenditure, parties still badly need cash to run their day-to-day operations, as well as to fund pre-election campaigning, such as the poster campaign undertaken by the Conservatives.

Up until the 1997 election, the Tories managed to massively outspend Labour in elections with a regular bombardment of posters and newspaper adverts. The sheer scale of the Tory operation demoralised Labour. The size of Mr. Wheeler’s gift, coupled with the trio of £2m donations to Labour, is bound to stimulate calls for the state funding of political parties. Tony Blair has said he is personally opposed to state funding, largely because he believes it would be politically unpopular. The third party in UK Politics the Liberal Democrats cannot compete with this scale of fundrais-

ing and consequently have regularly called for state funding of political campaigns both for practical and ethical reasons.

Mr. Wheeler started his firm with a £5,000 loan in 1974. The firm took tax-free bets on the price of gold, and since then the business has diversified into all the leading commodities, stock indices and sport. The recent addition of betting on individual shares allowed the firm to treble annual profits to £10.1m. The company also takes bets on politics. When the company floated in July on the stock market shares were 240p. Since then the price has more than doubled.

In 1998 the company's Internet division launched the first site to offer online spread betting and that has become one of its main arms. Last year turnover rose 58% to £15.8m. Despite his faith in the Tories, Mr. Wheeler is a shrewd gambler and in the last election put his money on the Labour party. He is also a former finalist in the world poker championships.

Mr. Wheeler is also on the National Council of Business for Sterling, the anti-Euro campaign body.

LOBBYIST SUPPORT FOR UK POLITICAL PARTIES

The Guardian newspaper has reported that the Labour Party has also become much more attached to the Lobbyists. At 7:30 a.m. most days during the election campaign Colin Byrne, chief executive of the public relations consultancy Weber Shandwick Worldwide, had a meeting with Clive Hollick, chief executive of United News and Media plc, at Labour's headquarters at Millbank. Hollick heads the party's business relations unit and Byrne has been working closely with him—"in a personal capacity and outside of working hours," as he puts it—to persuade the corporate sector to support Labour.

The work culminated in a letter of support from chief executives to the *Times* and in the party's business manifesto, which promised to make mergers and takeovers easier.

Byrne, himself a former deputy PR director at Millbank, is a key figure in the interface between big business and New Labour. His company, owned by the US giant Interpublic Inc., represents such clients as the advertising agency Adshel and Tesco, which have sponsored party events.

Byrne is not the only lobbyist to have worked for Labour during the election. So was his former boss, David Hill, a senior executive at Bell-Pottinger Communications and managing director of Good Relations Ltd., which represented Monsanto. Labour's communications director from 1991 until 1999 and close to Tony Blair, Hill has also acted for

Securicor Custodial Services which bids for government contracts in the prison service. "I have taken unpaid leave," he says.

Alongside Hill in the Millbank was Ceri Evans, former adviser to William Hague, campaign manager for Steve Norris during his bid to be mayor of London and now managing director of the lobbyists Golin Harris Ludgate.

Millbank insiders were uneasy about the presence of these lobbyists during the campaign. Although they say they are "taking unpaid leave," these consultants are in effect working for Labour for free. Political Lobbyists like Byrne and Hill charge clients up to £225 per hour (Lord Bell, the Tory PR strategist and Hill's boss, charges up to £750 per hour.) If they have been working at Millbank for three weeks, then the party is benefiting from tens of thousands of pounds of staff not paid fees.

As Labour has not declared this benefit-in-kind, some lobbyists believe that it could be in breach of the new Political Parties Funding Act. The Association of Professional Political Consultants (APPC) is conducting an inquiry and has approached the Electoral Commission, the independent body set up to monitor political donations, for guidance. The commission seems confused. It told the APPC that such secondment could be a political payment: "Donations and campaign expenditure may be incurred where a company provides the services of an employee to a political party." It says paid "special leave," too, would constitute a donation.

But the commission also thinks that "the provision by any individual of his own services which he provides voluntarily in his own time and free of charge is not to be regarded as a donation."

The APPC is not satisfied and has commissioned a further legal opinion. For there is no doubt that a highly paid, experienced lobbyist working for free is a financial benefit to a political party.

Labour is not unique in benefiting from free expertise from lobbyists. During the Conservative administration of 1983-1987, Lord Bell, then chief executive of Lowe Howard-Spink, seconded one of his consultants, Howell James, to be special adviser to Lord Young in the Cabinet Office while continuing to pay his salary. And then, when Lord Young became DTI secretary, he received the benefit of Peter Luff (now a Tory MP) as a free special adviser—again courtesy of Lord Bell's firm.

But now we have seen large numbers of political consultants being based in a party HQ trying to help the party of government be re-elected. Byrne and Hill, however, "unpaid," remain managing directors of lobbying corporations. So their expertise and connections are of commercial value when they were at Millbank.

MAKING SENSE OF INFLUENCE

If one looks at campaign funding and associated activity it is very clear from my own research into party conferences in the UK that there is direct linkage between political lobbying and party campaign funding. This I see as inevitable and needs regulation. It also is one the route causes for a growing interest in public affairs research. Let's try and make sense now of how the process of influence and lobbying is evolving as part of the modern democratic process.

GROWTH OF LOBBYING

Lobbying has grown considerably in the past fifteen years in the UK, which was outlined in the factors discussed earlier. Precise information on the current scale of activity is hard to come by, the first Nolan Report notwithstanding, due to the difficulty of choosing what to measure and the general discretion in the way in which lobbying has to be conducted. However, there is substantial evidence of its dramatic increase (Harris and Lock, 1996). The growth of corporate lobbying and campaigning is a response to the complexities of modern business society caused by more pervasive government and increased need for competitiveness in a global market by companies. Harris and Lock (1996) reported estimates that expenditure on commercial political lobbying, both in-house and by independent lobbyists, in the UK was between 200 and 300 million pounds and that over 4,000 people were directly employed in this activity. It was also estimated that expenditure at EU level was at least one order of magnitude greater than at national level. Recent evidence suggests that political lobbying in the EU is worth over £3 billion (source author's informant).

BUSINESS SITUATIONS IN WHICH LOBBYING PLAYS A ROLE

I propose below a taxonomy of situations in which government is involved and postulate the relative importance of lobbying in influencing outcomes:

1. Government as Purchaser or Allocator

- a. Winner takes all.

In a number of situations, there is only one contract or opportunity to be bid for. A recent example is Camelot's successful bid to run the National Lottery. TV franchises, the Channel Tunnel consortium and certain military contracts have similar characteristics. Price is rarely the sole criterion. The public decision is usually very visible and lobbying is rife.

- b. Large, infrequent contracts.
Defence and large public works contracts are typical of this category. Increasingly failure to obtain such contracts threatens the very existence of the company or a strategic business unit with a visible and politically delicate impact on employment. The situation of ABB's railway works interests is one example. Again lobbying plays an important role.
- c. Regularly supplied items.
Apart from highly specialised items, these are usually supplied through standard purchasing procedures, notably by competitive tender. These procedures leave little scope for lobbying, except in so far as it may be necessary to qualify a supplier to be included in the approved list or to pass any other pre-tender hurdles.

2. Government as Legislator and Framers of Regulations

Legislation on matters such as product safety, trademarks and intellectual property, and fair trading are obvious targets for business lobbying to ensure that legitimate interests are protected. However, it is easily forgotten that a great deal of matters that affect specific businesses are enacted through regulations under enabling legislation. Visible examples are vehicle construction and use regulations, and regulations affecting food and agriculture. Lobbying is important here to ensure that regulations are sensibly framed and represent an appropriate balance of business and other pressure group interests.

3. Government as Initiator of Action

There are a number of explicit circumstances in which the relevant secretary of state initiates action by a quango or similar body. The most familiar case is the Monopolies and Mergers Commission. In other examples, where a quango can initiate action itself, the government of the day exerts some influence in terms of matters that are taken up and is frequently the final arbiter in terms of action upon the recommendations it receives. Lobbying in terms of provision of information as well as persuasive communication play an important role in shaping the progress of events.

4. Government and European Legislation and Regulation

In Europe with the increasing influence of European directives and regulations upon product markets, proper representation of manufacturers' and marketers' interests have become critical in those areas which the EU is seeking to regulate. As well as direct lobbying of Commission officials and MEPs and representation through pan-European business bodies, support from one's own national government through civil servants and the Council of Ministers is critical to success on significant issues. In these instances, lobbying at both national and EU level is an essential activity.

5. Government as Decision Maker

There are a range of other situations where the government has de facto or de jure powers to take decisions, which affect business. Whilst the example is not directly a marketing one, the recent controversy over the decision to permit Shell to sink the Brent Spar platform in the Atlantic is a good illustration, both of convincing government of the correctness of a course of action, and also of a failure of a broader public relations campaign against a more well-organised, but less well-funded opponent.

FUTURE DIRECTIONS

The author has just recently conducted research with members of both UK houses of Parliament and Whitehall officials and what clearly emerges is that organisations can be seriously disadvantaged, if they are

not providing information to support their long-term business positions or counter their national and international corporate competitors by providing information to relevant bodies. This may well sound very logical, but the reality is that a number of interests and companies do not know how or understand the various UK and EU government processes and their ability to develop policy and regulations which impact upon them and the markets in which they operate. This puts them at a serious disadvantage.

MODERN MACHIAVELLIAN MARKETING

Increasingly, to be able to compete means being able to exert pressure on government to gain competitive edge. Let me give some examples of EU government areas where if one can change views of government, one can gain advantage. A well-argued case, which has been outlined before, is that it has been suggested that a number of German and French car manufacturers successfully lobbied the EU for them to adopt catalytic converters as their preferred vehicle emissions measures. This became compulsory legislation, to the advantage of Mercedes, Audi, VW and Peugeot et al. At a stroke this wiped out one billion pounds worth of investment by Ford in lean burn engine technology and half million pounds investment by Austin Rover, also developing this technology. Both Ford and Austin Rover deemed this technology to be a lot cleaner than just using catalytic converters. They had opted to go for a higher specification system rather than the intermediate catalytic converters. Once the legislation was enacted across the EU, Ford lost its billion pound investment in R and D and had to reinvest in catalytic converters to catch up. Austin Rover, as a result of this policy, lost its investment, could never catch up and went bankrupt. BMW now own Austin Rover.

The second example is that Philip Morris are probably spending in the order of at least 50 million pounds a year in Brussels trying to stop national states and the EU bringing in similar measure for compensation to meet health care risks of cancer infected tobacco smokers. The money is being used to delay legislation, which leads to compulsory care and compensation for sufferers. In the States, it is now almost mandatory for many to get care for tobacco related diseases. By delaying the legislation Philip Morris benefits financially.

Other areas where one can exert pressure to lobby for advantage are:

Packaging. Which may use only particular materials across Europe to meet specifications. Clearly this disadvantages its competitive edge to certain processes and companies.

Broadcasting. As broadcasting internationalises the granting of licences or privatisation of public broadcasting can give strategic advantages. Look at Murdoch or Time Warner.

Health. Delays in environmental protection, tobacco legislation or alcohol abuse have an effect both on the healthcare industry and certain businesses.

Travel/Ecology. Restricting travel and tourism may benefit the ecology or may just mean that if you have the money then you can go there.

Resources. Clearly, the allocation of fossil fuels, emissions and scarce resources and their availability also impact on competitive edge. Reliable and renewable electricity can give competitive advantage. Erratic and hazardous energy systems can lead to decline. People do not shop in Chernobyl any more.

THE RISE OF REGULATION

Lobbying has grown as a result of business and non-governmental organisations wishing to influence government regulatory policy. As government has sold its ownership of control of various sectors of the economy—utilities, broadcasting, etc.—so it has tried to shake the direction of these now private companies or organisations and their interests through regulation. In fact the last part of the 20th Century and early part of the 21st Century has seen government at every level develop the regulator and regulation. To influence that regulation leads to strategic gain for the organisation. If you can shape the market to your advantage then you win and lobbying is about shaping that regulation so that it suits you and your interests. I have developed throughout my research a number of core graphs to indicate graphically how one exerts pressure. The first one is called the Machiavellian graph and shows that each time government in-

creases regulation, lobbying public affairs activity increases to shape that regulation (see Figure 1).

This can also be graphically shown in a 2×2 matrix, which I called the Machiavellian matrix, the more government regulatory policy, the higher the level of lobbying, thus intense activity (see Figure 2).

We can see this being developed further if we look at the ways in which business, lobbying and policies can be used to influence government in the following model of influencing decision making at the national and transnational government levels (see Figure 3).

CONCLUSION

As ever, Machiavelli provides a useful guide to exploring government and where to exert influence. There has been a growth in lobbying because as government has withdrawn from its role of being owner in the economy it has attempted to regulate and set the business environment for companies to operate in. However, the more competitive companies and NGOs influence that regulation to their own competitive advantage. There are currently 28,000 NGOs registered in Brussels explicitly just to influence EU policy. I wonder why?

FIGURE 1. The Machiavellian Graph

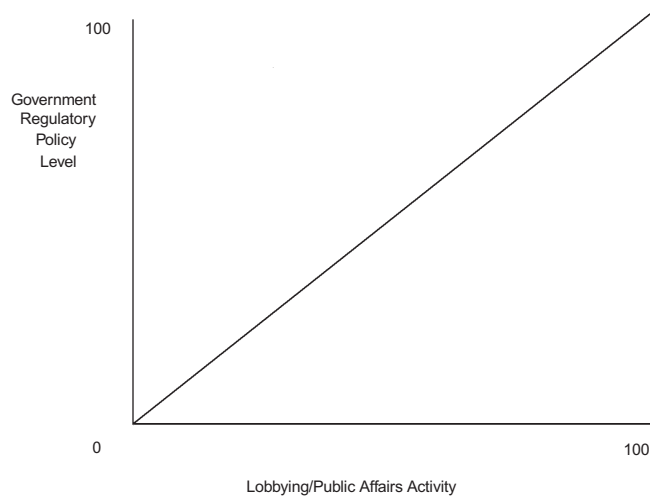
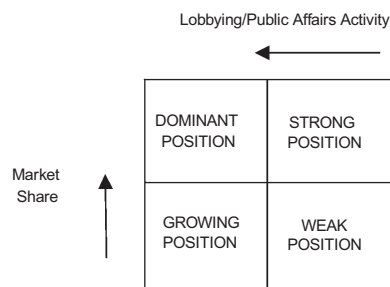


FIGURE 2. The Machiavellian Marketing Matrix (The Isotropic Relationship Between Market Share and Levels of Political Lobbying: The Maintenance of a Dominant or Monopolistic Position in a Market Sector Through Political Lobbying)



Lobbying is part of modern political communication. As politicians become increasingly isolated and short of quality information, effective lobbying fills up that vacuum and allows good decision making (and of course some times bad decision making). Globalisation is meaning that to gain competitive edge transnationally, lobbying is used to influence the EU, the WTO, NATA, etc.

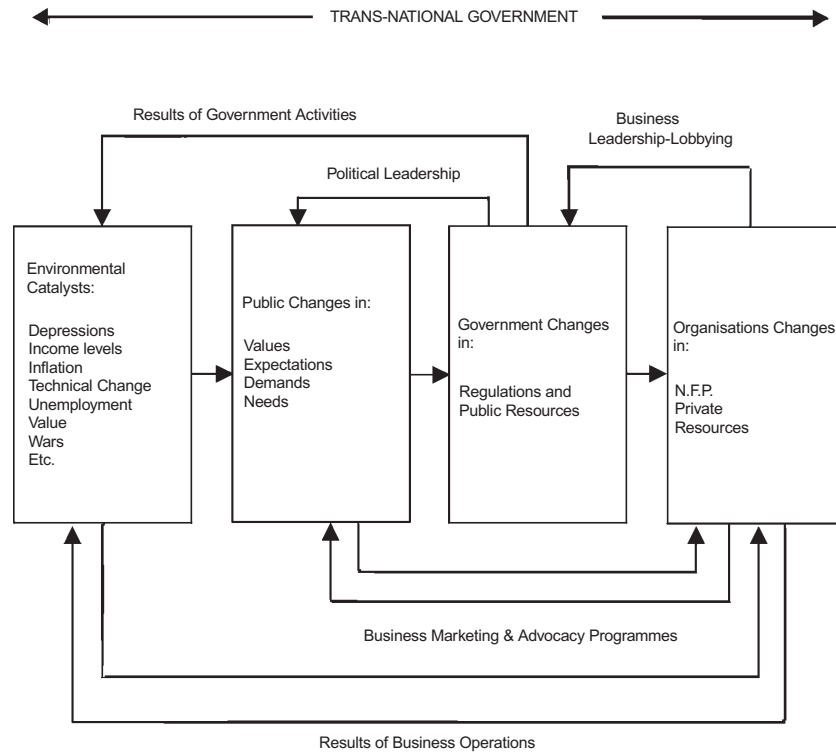
In the UK the need for parties to raise large amounts of funding with no regulation of activity has led to certain individuals acting as millionaire sugar daddies to parties (see Appendix 1: Large Donation News). One assumes these special relationships have their consequences.

A trend is of course accountability and lobbying has to be seen to account like government and be of a high ethical standard and interests declared. As society has higher demands, so it will want its voices heard and society will become more consumer driven and government will have to become more responsive to consumer needs. Perhaps consumer needs would be better roads, better health care, better education, rather than some of the things that politicians in the past have wanted. Consumers need to lobby for that quality of life and for resources to be spent on priority areas. All that we can say is that we can be sure of one thing, that as government increasingly develops a regulatory society, so lobbying will grow and the only way to counter this is if your voice is heard.

All armed prophets conquered, All the unarmed perished

Niccollo Machiavelli (Harris, Lock and Rees, 2000)

FIGURE 3. The Role of Political Lobbying as a Feature of Political Marketing Communication with Government: A Model



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APPENDIX 1
LARGE DONATION NEWS

THE HONORARY ENGLISHMAN: JOHN PAUL GETTY Jr.

Born American but now British, he longs for Orwell's lost England of warm beer and cricket. Last week he topped years of giving millions to unpopular causes with a £5million donation to the Tories.

Anybody trying to understand the millionaire philanthropist John Paul Getty Junior could do worse than look at the aims and priorities of the charity which holds both his name and a fair chunk of his money. The J. Paul Getty Jr. Charitable Trust is, according to its own literature, dedicated to funding "unpopular causes." Last week the depth of Getty's deep commitment to those ignored by society was finally revealed. It was announced that, the day before their disastrous election defeat, he had given the Conservative Party a £5 million donation.

On Thursday night the ailing 69-year-old Getty, who now requires dialysis twice a week and often has need of a wheelchair, spent another £1m on a more obvious cause: himself. He held a fabulous party, attended by just 500 of his closest friends. Mick Jagger and Camilla Parker Bowles were there. Jeremy Irons, Marianne Faithful and William Hague were on the guest list. Flaming torches flickered on the driveway, as guests arrived by hired luxury coaches, sipping the champagne they had been given for the journey.

Getty has not explained the reason for the bash. Maybe, with his health failing, he wanted a final fling. Then again, perhaps there was something about that one fat cheque to the Tories which was worth celebrating. It stands as final proof that a long, almost desperate process of reinvention, is now complete. In 1998 he handed back his American passport and took British citizenship. He has developed an obsession with cricket and, at his Buckinghamshire estate, built perhaps the best pitch in the country which draws to it the world's greatest players.

The Sunday Observer, 17th June, Jay Rayner.

TYCOON FACES QUIZ OVER POLITICAL DONATIONS

The British Iraqi-born tycoon, Nadhmi Auchi, who is wanted for questioning in France over his alleged role in the Elf-Aquitaine scandal, has given thousands of pounds in political donations in the UK, *The Observer* can reveal.

Last year French judges issued an arrest warrant for Auchi and started extradition proceedings against the billionaire businessman who is Britain's seventh richest man. So far, the British government has rejected the extradition request. Auchi insists that he is innocent of any wrongdoing and happy to answer any questions in Britain from the French investigators.

The Sunday Observer, 10th June, Antony Barnett and Martin Bright.