

Does corporate lobbying benefit the society?

Aseem Prakash
University of Washington



CENTER *for* ENVIRONMENTAL POLITICS

UNIVERSITY *of* WASHINGTON

Lobbying

- In the evening, President Ulysses S. Grant would sit in the lobby of the Willard Hotel enjoying a cigar and brandy. He would be courted by power brokers and influence peddlers.



Definitions

- 3 critical terms: “lobbying”, “corporate,” “benefiting the society”
- What is lobbying? Information provision?
If so, then it same as advocacy? As along as different “factions” have comparable access to rule-makers, why not let the best view prevail (as in elections or the legal system)?

What if lobbying is something different?

- Typically, scholars limit lobbying to paid advocacy (i.e. unpaid advocacy is not lobbying)
- But if paid and unpaid advocacy serve the same information provision function, why should societal implications differ?

What about corruption and undue influence?

- Paid advocacy = corruption + undue influence
- The playing field is not level; the rich “factions” win
- Henry Demarest Lloyd, in "Story of a Great Monopoly."
“The Standard has done everything with the Pennsylvania legislature, except refine it.” -- The Atlantic, March 1881

Why limit the role of money in lobbying only

- If money is the source of corruption, any sort of influence peddling where money plays a role should be opposed?
- This means No PACs; eliminate the role of money in elections.
- Does this violate free speech? Would people be allowed to use their personal resources for elections?
- If money is banned, would it favor the incumbents?

What about non-corporate lobbying?

- If money corrupts, why should lobbying by non-corporate actors be treated differently?

Is advocacy different?

- If paid lobbyists privilege the powerful, we should remove all factors that make the playing field unequal.
- Decision makers should not be allowed to receive “petitions” from supporters and constituents (after all, this the source of pork-barrel politics).
- Might this not undermine democracy?

How to assess “benefits” to the society?

- Regulations/policies create differential costs and benefits for different actors. How should be assess societal benefits?
- How will moral considerations be accounted for (e.g. religious beliefs)?
- In regulatory analysis, cost-benefit analysis has become popular. Lots of assumptions that are made, such as putting value on human life. Is this how we should assess “benefits to society”?