

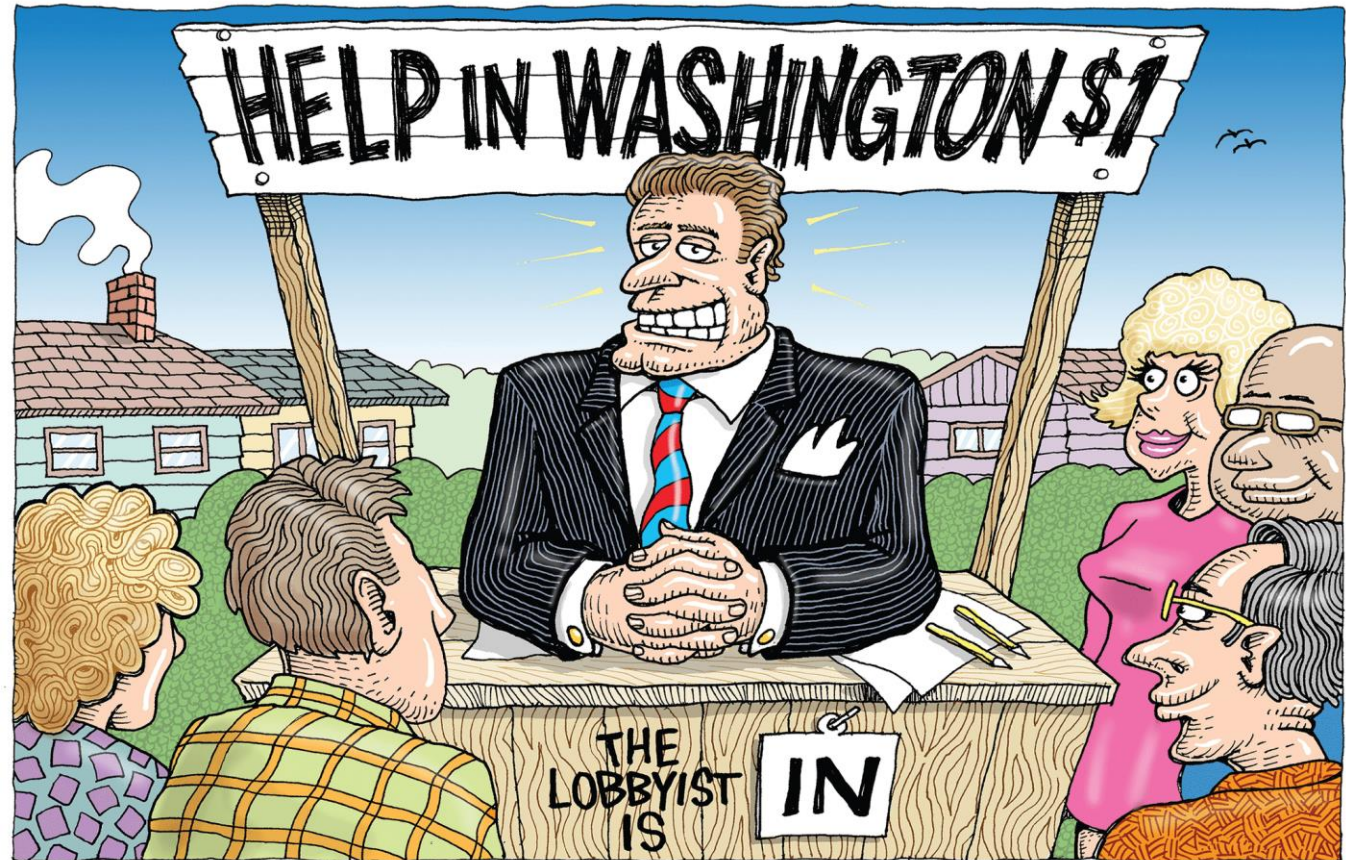
Corporate Lobbying Harms Society

David L. Levy

University of Massachusetts, Boston

Dept. of Management

David.Levy@umb.edu



QUASI Seminar

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Three Central Arguments:

- Lobbying is one component of a broader system of corporate power that undermines democracy
- Lobbying primarily reflects interests of shareholders, not broader stakeholders
- Lobbying in practice overwhelms other stakeholders so business interests dominate policy formation.



1. Democracy:



Q: Do corporations have interests *not* represented by their employees, shareholders etc. as *people*?

Citizens United: asserted 5 arguments (2010)

- money is speech
- corporations - same rights as natural persons
- campaign donations not corruption
- unequal influence is constitutional
- disclosure requirements ensure transparency

Macey and Strine (2019)

Theories of business power: You don't have to be a Marxist!

Barley (2010), Fuchs & Lederer (2007), Domhoff (2017), Mills (1956)

Structural – state dependence on business for employment, investment, taxes

Instrumental – corporate execs in senior gov't roles, the revolving door

Discursive – advertising, mass media, think tanks, education

Hegemony: neo-Gramscian dominant coalitions resting on ideologies, economic compromises (Levy & Egan 2003)



Business networks to develop consensus and coordinate: Transnational Capitalist Class (TCC) at global level

(Sklair 2002, Carroll and Carson 2003)

Directors' Networks (Mizruchi 1992, Useem 1984)

Peak Associations – WEF, WBCSD, NAM, CoC etc.

Industry Associations – IPIECA, PhRMA, Free Speech Coalition

Issue-Specific Organizations: GCC, Coalition for Vehicle Choice

Astroturf: Free Speech Coalition, Americans for Prosperity

State-level in US –ALEC American Legislative Exchange Council

Privatization of Governance – MSIs, CSR, labels & standards

Cutler et al. (1999), Sell (2003)

Operational power – What, where, how to produce; decisions over technology, labor

2: Lobbying Represents Shareholder Interests

The New York Times

Emails Show How Pesticide Industry Influenced U.S. Position in Health Talks

The U.S. insisted that new international guidelines on combating drug resistance omit any mention of fungicides — a demand that the industry made but that ran counter to science.

NYT Sept. 24, 2020: Trade association CropLife America pushed USDA to exclude fungicides from Codex Intergovernmental Task Force on Antimicrobial Resistance

OpenSecrets.org: CropLife ranked 3,108 of 21,360 in campaign contributions \$156,232 and 328 of 5557 in lobbying exp. of \$1,561K

5 out of 10 CropLife lobbyists have held government jobs

- Lobbying represents narrow conception of corporate interests, Shareholders not Stakeholders
- Interests don't converge “in the long run”
- CSR as stakeholder management, deflecting and accommodating threats, managing reputation (Fooks et al, 2013)
- Sustainability – mainstreamed and corporatized as management of risk, supply chains (Levy et al, 2016)
- Lobbying misaligned with stated CSR values (Cho et al. 2006)





“in the three years following the Paris Agreement, the five largest publicly-traded oil and gas majors (ExxonMobil, Royal Dutch Shell, Chevron, BP and Total) have invested over \$1Bn of shareholder funds on misleading climate-related branding and lobbying.”

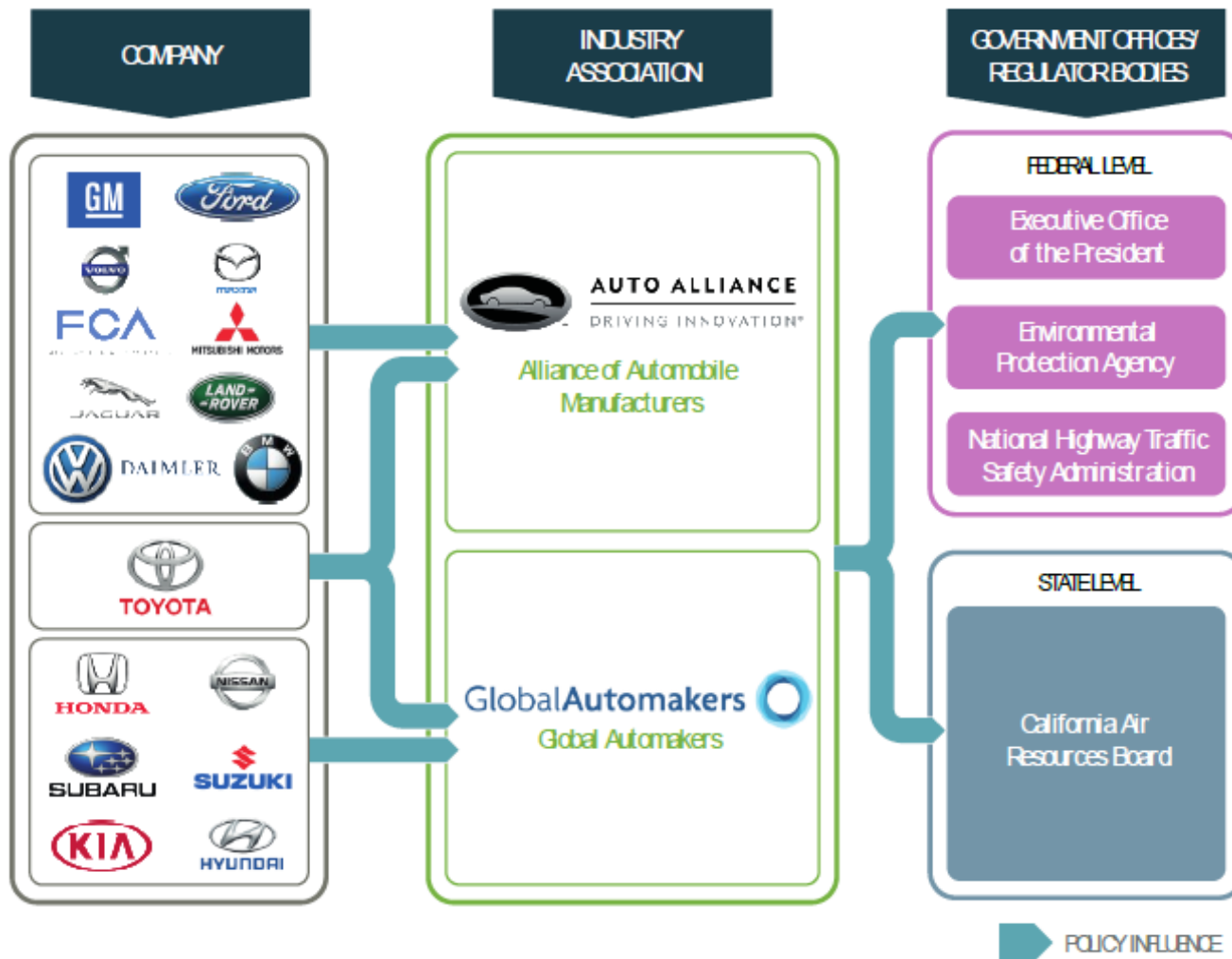
Influence Map Analysis of Oil Sector Facebook advertising. Oct 2019

https://influencemap.org/evoke/420726/file_proxy

State	Spending on Political Facebook Advertising	Key Policy Issues in State
Texas	\$2M	Texas has been the target of advertising campaigns from ExxonMobil and API, promoting the benefits of increased oil and gas production, and the importance of pipeline infrastructure. Further to this, ConocoPhillips and the API have funded ad campaigns specifically opposing new regulations on pipelines in the state related to Senate Bill 421.
Washington State	\$1.5M	The WPSA set up and organized a campaign - funded by companies including BP, Phillips 66 and Valero - that utilized social media messaging as part of a successful effort to oppose a ballot initiative proposing the implementation of a carbon tax in the state.

InfluenceMap Analysis of Auto Sector Lobbying

Alliance of Automobile Manufacturers & companies spent \$49 million lobbying in the US in 2017 against CAFE and GHG standards



3. Business Dominates Lobbying and Policy Formation

De Figueiredo et al. 2014:

Lobbying by corp's and trade assoc's > 84% of total interest group lobbying expenditures at US fed level, 86% of total at the state level

Corps and trade + professional assocs = majority of all lobbying groups

Lobbying is effective and has high RoI across multiple issues:
trade, finance, taxes, gov't budgets, general regulation



Yes campaign spent \$224 million, about x10 more than No

Porn Industry Fights Regulation

Research and publications by Gail Dines and David Levy

Mindgeek/Pornhub's Commitment to Trust and Safety:

“nothing is more important than the safety of our community... This is why we have always been committed to eliminating illegal content”

Free Speech Coalition- overturned US Code 2257 (documenting performers' age) for distributors

Stopped age verification of consumers in UK

Fought Aids Healthcare Foundation on Measure B (condoms and safety in production) in LA County, won fight against Calif. Prop 60

AstroTurf organizations: Coalition for Senior Citizenry

Mindgeek fined for using foreign funds for lobbying



A threat to democracy?



Thank you!

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