The Lobbying Bill is a missed opportunity

By Democratic Audit

In response to recent lobbying scandals, the government has introduced the Transparency of Lobbying, Non-party Campaigning and Trade Union Administration Bill, which had its first reading in Parliament earlier this month. The Bill seeks to introduce a register of consultant lobbyists and deals with issues relating to election finance. Robert Barrington, Executive Director of Transparency International UK, sets out his views.

When David Cameron said in 2010 that lobbying was ‘the next scandal waiting to happen’ he was both right and wrong. Right because it is an area which is ripe for scandal – a potentially unsavoury mix of money, power, politics and special interests. Wrong because by the time he said it, the scandal was already happening. Transparency International’s research published this month showed that an astonishing 90% of the UK public believe that ‘the country’s government is run by a few big interests looking out for themselves’.

We should be clear that lobbying is not always a bad thing. Transparency International and many other civil society organisations often try to speak to MPs and civil servants to present information and ideas. Ordinary citizens may speak to their constituency MPs about issues of relevance to them. Companies or trade bodies may have legitimate arguments that need an airing. Of course, there is a difference between those groups that operate in the public interest and those operating in the private interest. But the point remains that politicians, regulators and civil servants need to hear all sides of an argument before making a decision.

The problem arises when special interests, backed with large amounts of cash, are able to buy greater access and influence than anyone else. Government policy, regulation and legislation can then effectively be bought. There are academic studies in the US that demonstrate how lobbying has distorted government policy. In the UK, allegations abound about tobacco regulation, minimum pricing for alcohol, food labelling and banking regulation, to name but a few.
At its heart is an issue that goes beyond lobbying to one of real concern: that rich special interest groups can distort government policy so that it does not operate in the public interest. This relates not just to lobbying but also to political party funding and the so-called revolving door between politics and the private sector.

So what are the solutions? The government is stating that transparency is the answer and that a register of lobbyists is the key to this. Again, right and wrong. Transparency is a necessary component of the answer. But it is not the whole answer, and a register of lobbyists is only a small component of transparency. Let us remember that in the distorted and money-fuelled politics of the US, there is a register of lobbyists – and nobody thinks it has solved the problems.

What else could be done? Those who employ lobbyists should be transparent about who they are lobbying and for what purpose. We need to see appropriate criminal penalties – jail for those who break the law, meaningful fines for lobbying companies that get it wrong, and the permanent end to a political career for those who transgress. Strong leadership on ethical conduct must come from the most senior people in each party – not only by setting a personal example but by rigorously mucking out their stables. Finally, the government should wait until there has been a proper examination of the issues and then produce a well-crafted bill that is a proportionate response to the problem.

So what about the proposals the government has announced? Overall, I would say it is a missed opportunity. It is unlikely that we will have another government-sponsored lobbying bill in the foreseeable future, so this one needs to be as good as possible. It is a weak response to a problem the government seems to have half-understood. The distortions of democracy go beyond lobbying into party funding and the revolving door, to say nothing of the Honours system; and unless those issues are tackled at the same time, the risk is that the special interest groups will just find a new way of exercising influence.

What makes this Bill look even more ill-timed is that the Committee on Standards in Public Life has recently launched a consultation on precisely this subject. What is the government’s motive in ignoring this, just as it has ignored the Committee’s previous recommendation for a cap on political donations?

What the government has failed to grasp is that voters think British politics is corrupt and that is the problem it needs to deal with. 67% of people polled in our survey said they thought political parties in the UK were corrupt or extremely corrupt. 55% felt the same way about the UK Parliament. Voters remember the MPs expenses scandal, cash for questions, the sale of honours, the stings by the Sunday Times, and many other deeply unsavoury episodes. Voters, non-voters, and British democracy need a response that is proportionate to the size of the challenge. This Bill is, sadly, not the response that is necessary.

Note: An earlier version of this post appeared on the Transparency International UK blog. This post represents the views of the author, and not those of Democratic Audit or the London School of Economics.

Robert Barrington is the Executive Director of Transparency International UK, the UK’s leading anti-corruption organisation and part of a global coalition sharing one vision: a world in which government, business, civil society and the daily lives of people are free of corruption. Transparency International fights corruption, poverty, and injustice with local colleagues in over 100 countries.