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SECOND-STAGE LOBBYISM

Fundamental Basics of an
Understudied Lobbying Approach

ABSTRACT

Philipp Bienek: Second-Stage Lobbyism – Fundamental Basics of an Understudied Lobbying Approach
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Analysing the lobbying situation of social movements and groups advocating for public interests, it can be seen that a majority of actors lack necessary financial resources, the capability to mobilise a sufficient number of contributors in relation to the society they aim to represent, and experience low levels of responsiveness by the contacted decision makers and politicians. Compared with narrow interest groups representing industry sectors or professions, public interest groups face competitive disadvantages or even discrimination which causes underrepresentation of relevant social, ecological, and humanitarian issues. As this situation has already been present throughout the last decades and does barely differ within different countries, the question needs to be raised, whether the application of current lobbying strategies is the best way to overcome this unfavourable setup or if there are more promising means to do so.

In this thesis, the author will develop and establish a new lobbying approach labelled 'second-stage lobbying'. The main idea of this strategy is to 'lobby the lobbyist' (second stage) instead of focusing on political decision makers (first stage). This enables even small interest groups to use the resources and political power of the target – the actor to be lobbied – to promote their own agenda. The elaborated model is based on simple spatial analyses and considers a variety of features of relevant theories and works within the fields of lobbying, collective action, and game theory. Key elements to successful second-stage measures are changing preferences on topics throughout time within a society. They allow interest groups to attract their potential second-stage targets by presenting (un)favourable potential scenarios such as market outcomes and thereby influencing their future lobbying activities. To illustrate the relevance of these changes of preferences for the developed model, empirical data compiled by the World Values Surveys from 1981 until 2014 on six selected countries will be analysed and interpreted with regards to 'second-stage lobbying'.

The overall results underline that an enhancement of public interest groups' strategy repertory is needed to gain more political influence and public attention. If applied correctly, 'second-stage lobbying' is a valuable and powerful tool which can help to trigger and achieve the transformation of the currently unfavourable lobbying situation of social movements. Nonetheless, this lobbying strategy is still in its early stages of development and requires further research – theoretical and empirical.

Keywords: Second-stage Lobbyism; Spatial Analysis; Selective Incentives; Critical Mass Theory; Threshold Theory; Collective Action; Public Interest Groups; Social Movements.

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Table of Contents

Table of Figures.....	III
Table of Tables.....	IV
1 Lobbying - We all do it, so why not use it more strategically?	1
2 Unsuccessful Approaches and Unused Knowledge	5
2.1 Basic Income and Education	5
2.2 Fighting Constitutional Flaws	6
2.3 The Knowledge is Available – but not used to Full Extent	8
2.4 Widening the Repertory - Considering a New Strategy	11
3 Literature Review	13
3.1 Basics of Lobbyism	13
3.1.1 Strategies and their Application.....	13
3.1.2 A Lobbyist’s Philosophy.....	15
3.1.3 Group Types and their Consequences	17
3.1.4 Inequality within Lobbying.....	19
3.2 Basics of Common Pool Resources and Collective Action.....	23
3.2.1 The General Ideas and the Occurrence of Freeriding	24
3.2.2 The Theory of Critical Mass.....	26
3.2.3 The Theory of Threshold	30
3.2.4 Lost in Transition.....	32
3.3 Basics of Spatial Analysis.....	34
3.3.1 Hotelling’s Main Street.....	35
3.3.2 Smithies’ Competition.....	39
3.3.3 Black’s Order of Preferences.....	41
3.3.4 The Pioneers’ Inheritance and Followers.....	45
3.4 Basics of Game Theory	48
4 Second-stage Lobbyism	52
4.1 The Need	52
4.2 The Basic Idea	60

4.3	The Mechanisms	62
4.4	Standardisation of Targets for Pre-Selection	66
4.5	Spatial Analyses for Targets' Final Selection	71
4.5.1	Development of the Model.....	72
4.5.2	Reallocation without Counteraction	76
4.5.3	Reallocation with Counteraction.....	83
4.6	Empirical Data on Societies' Preference Changes	85
4.6.1	Selection and Preparation of World Values Survey-Data.....	86
4.6.2	Justifiable: abortion.....	87
4.6.3	Justifiable: homosexuality	89
4.6.4	Justifiable: prostitution	91
4.7	Risks and Potentials for the Second-Stage Lobbyist	93
4.7.1	Striving for the Critical Mass in Case of Accelerating Production Functions.....	94
4.7.2	Attracting Early Birds in Decelerating Production Functions	96
4.7.3	Revealing Redundancy due to Similarity.....	97
4.7.4	The Danger of Losing One's Face	100
4.7.5	Second-stage Lobbying: A Financial Investment with Uncertain Outcome	102
4.8	Risks and Potentials for the Target	103
4.8.1	The Comfort of being Subsidised	103
4.8.2	Avoiding the Wrong Second-stage Lobbyist	105
4.9	Examples	106
4.9.1	American Economy & the Elderly.....	107
4.9.2	German Trades & Asylum Seekers	111
4.9.3	Nestlé & the Environment.....	115
5	Reverse Lobbyism	119
6	Discussion & Conclusion.....	124
	Bibliography	V

Table of Figures

Figure 1: Different shapes of production functions (Oliver, Marwell, & Teixeira, 1985, p 527).....	27
Figure 2: Reproduction of Hotelling's main street model (Hotelling, 1929, p 45).....	36
Figure 3: Scenario of Hotelling's main street model with free choice of location for one actor.....	37
Figure 4: Scenario of Hotelling's main street model with free choice of location for both actors.....	38
Figure 5: Smithies' combination of main street and price-quantity-model (Smithies, 1941, p 426).....	40
Figure 6: Black's order of preferences over motions (Black, 1948, p 24).....	42
Figure 7: Excerpt of possible order-preference-scenarios.....	43
Figure 8: Matrix presentation of all members' preferences over motions (Black, 1948, p 33).....	44
Figure 9: Graphical presentation of all members' preferences over motions.....	44
Figure 10: Graphical presentation of a Prisoner's Dilemma Setup.....	49
Figure 11: Graphical comparison of First- and Second-stage Lobbyism.....	61
Figure 12: Development of the spatial model – (1) x-axis.....	72
Figure 13: Development of the spatial model – (2) y-axis.....	73
Figure 14: Development of the spatial model – (3) normal distribution.....	73
Figure 15: Development of the spatial model – (4) Placement of targets.....	74
Figure 16: Development of the spatial model – (5) Allocation of market shares.....	75
Figure 17: Graphical comparison of market shares after possible reallocation.....	77
Figure 18: Skewed preferences of a society.....	78
Figure 19: Double-peaked preferences of a society.....	79
Figure 20: Higher single-peaked preferences of a grown society.....	79
Figure 21: Higher and lower skewed preferences of a grown and shrunk society.....	80
Figure 22: Comparison of market shares after social change.....	81
Figure 23: Comparison of market shares after social change and possible reallocation.....	81
Figure 24: Simplified adopted scenario funnel (Passey, Goh, & Kil, 2006).....	82
Figure 25: Comparison of market shares in case of one or two actors reallocating.....	83
Figure 26: Decision tree for a multiple-move-scenario.....	85
Figure 27: Justifiability of Abortion in the United States over four Decades (based on World Values Survey, 2019a).....	88
Figure 28: Justifiability of Homosexuality in the Sweden over four Decades (based on World Values Survey, 2019h).....	90
Figure 29: Justifiability of Prostitution in the South Africa over four Decades (based on World Values Survey, 2019o).....	92
Figure 30: Simple two-dimensional profit-matter overlap model.....	98
Figure 31: The elderly - (1) mixed market.....	109
Figure 32: The elderly - (2) one actor having specific offers.....	109
Figure 33: The elderly - (3) Obsolescence of society.....	110
Figure 34: Asylum seekers - (1) Academisation of society.....	113
Figure 35: Asylum seekers - (2) Changes through permitted asylum.....	114
Figure 36: The environment - Potential future scenario for producers such as Nestlé.....	117
Figure 37: Comparison Second-stage and Reverse Lobbyism.....	120
Figure 38: Bottom-up and detailed circle presentation of Reverse Lobbyism.....	121

Table of Tables

Table 1: Exemplary overview of voter preferences on various matters57
Table 2: Simple example of standardisation for targets' pre-selection67
Table 3: Simple example for identifying targets with applied weights68

1 Lobbying - We all do it, so why not use it more strategically?

Everybody does it every day. Constantly. Again, and again. Parents, siblings, and friends, partners, colleagues and supervisors. Lobbying. Probably, one would never label it like that when talking about private issues. In daily life it is called ‘convincing,’ ‘suggesting,’ ‘supporting a matter’ or simply ‘talking to someone.’ The content and extent of decisions may certainly differ, but when breaking it down to its basic elements, there is no difference, whether one aims to influence a friend or a politician – the goal is gaining support for one’s own ideas.

Lobbying – “to attempt to influence or sway (someone, such as a public official) toward a desired action” (Lobby, 2019)¹ – often has a negative connotation in the vernacular, despite being used on a daily basis. It is said to be something morally incorrect and undemocratic, something only the rich can afford and is thus creating inequality. This is probably rooted in the limited usage of the word only connected to politics and the fact that here, the public sees the idea and theory of ‘the voter as the sovereign’ - manifested in the institutions of many countries – to be refuted in a multitude of ways.

Academia in fact supports this claim of inequality as research on the practice of lobbying reveals. At the same time the theoretical basics of lobbyism are neither seen as undemocratic nor anyhow in contrast to the above-mentioned idea of sovereignty per se, but just as a redistribution of resources (Mueller, 2003). Current findings, while still restricted to a very narrow political spectrum, show at least four levels of inequality:

(1) Budget

The ability to lobby strongly depends on the availability of resources and thus on one’s financial constraints (see e.g. Gilens, 2005).

¹ Although two out of three definitions on Merriam-Webster have a narrow reference to legislation, it is worth mentioning, that also with regards to its official linguistic meaning, lobbying is not strictly limited to a defined political area, but actually can be applied in general when one is influencing the other. Thus, the distinctness as it is known today is simply due to its most frequent appearance and application.

(2) Mobilisation

Alternatively, groups with the possibility to mobilise large crowds – may it be by incentives or penalisation – such as labour unions or religious groups can compensate a lack of financial resources by their quantity of supporters (see e.g. Gilens, 2005; Olson, 1982).

(3) Responsiveness

Especially in countries such as the United States of America, where election campaigns mostly rely on private sponsoring and not on the funding of one's party or possibly the state, research indicates that politicians are more sensitive to interests and proposals of the rich, but barely to those of medium- or low-income voters (Stepan & Linz, 2011; Dür & Matteo, 2013; Gilens, 2005).

(4) Underrepresentation

As a result of (1), (2), and (3), only topics favoured by financially or number-wise strong interest groups are represented and thus lobbied. Common goods and interests – such as sustainable environment management, clean oceans or species-appropriate living conditions of animals – often lack both (see e.g. Olson 1982), although a majority of people shows interest in these topics (World Values Survey, 2018).

Summarising the above, public interest groups lack support and thus financial resources causing competitive disadvantages and political discrimination. Accordingly, this raises the question whether currently applied lobby strategies are still appropriate to achieve a group's goals and to attract enough public attention to overcome society's 'critical mass' (Oliver, Marwell, and Teixeira; 1985) as well as personal 'thresholds' (Granovetter, 1978).

Despite the insights already provided by academia, lobbying as part of human nature, and as such a part of everyday life, has so far been a blind spot. Current research, furthermore, excludes the power and possibilities of the smart and creative to change society, potentially even without being in touch with officials. Accordingly, understanding this is vital for taking the art of lobbying to a new level. It helps in making it more inclusive, widening perspectives, and especially developing new strategies capable of promoting and pushing underrepresented but

essential matters such as for instance environmental protection and human rights. Such an approach then again is not only limited to politics but applicable to society in its whole.

This thesis will focus on one of these strategies. As postulated above, this will be based on a simple, well-known and real-life situation most people have experienced in their own childhood or as a parent: If one parent says ‘no,’ the child will seek for the other parent, using a number of tactics such as being charming and making promises to secure the latter advocating for a favourable outcome towards the other parent. This setup may apply to a variety of goals such as staying up late, watching TV, playing computer, eating sweets, sleeping at a friend’s or buying a toy.

Certainly, this approach does not guarantee success, but still it is a strategy with seemingly satisfactory results, worth repetition – even after childhood and adolescence. Hence, if successful as a child, intrinsically and without even knowing all the mechanisms or thinking of possible outcome alternatives, why not try to understand such a situation in all its details and apply the insights of that microcosm on a macro level?

In contrast to the currently common lobbying approaches on an immediate first stage, the here described strategy of ‘influencing the influencer’ will be labelled with the not yet existing term ‘second-stage lobbying².’

This paper will show, that, just like engineers learned from observing nature to build better cars, airplanes, and skyscrapers, studying daily human behaviour and childhood situations will be beneficial to offer new possibilities to interfere for interest groups of all kind. Enriching those observations with existing theoretical knowledge such as Elinor Ostrom’s *Governing the Commons* (1990), Mancur Olson’s insights on ‘selective incentives’ (1965; 1982) as well as basic spatial analysis (Hotelling, 1929; Smithies, 1941; Black, 1948) something new and

² Baye, Kovenock and de Vries (1993) use the term ‘second-stage lobbying game’ to indicate time periods within their paper. Accordingly, in their setup lobbying takes place in two stages: While in the first round all lobbyists are able to influence a politician, in the second round (the second stage) only the finalists, a narrowed down groups of interest groups, are able to contact the decision maker. Otherwise research on this term does not give any further considerable findings. Accordingly, the term is considered as new and unencumbered – especially, as it here is label for a proper designed and described concept.

powerful can be created, capable of expanding the repertory of interest groups lasting and making a difference in the world.

In order to understand the need of ‘second-stage lobbyism,’ the following will firstly provide overview of current approaches and their success, and then continue with the basics of lobbying in general. Secondly, the features connected to common pool resources, simple spatial models as well as elements of game theory will be explained in detail to ensure the necessary knowledge to understand further steps. Finally, ‘second-stage lobbyism’ itself with all its features, risks and potentials, as well as mechanisms will be developed and described. Also, before discussing and concluding the research in this paper, one chapter will be dedicated to ‘reverse lobbyism,’ a specific version of ‘second-stage lobbyism’, as it was the initial starting point of the author’s research and the work in front of you.

For the sake of simplicity, also in this work, lobbying will mostly be discussed in a political context. Nonetheless and distinctively, it is not dealt within a narrow setup of immediate contact with a politician or other officials, but in a wider one which also for instance considers consumer behaviour or the redefinition of an organisation’s agenda as a potential political act which can shape legislation in a more complex way.

2 Unsuccessful Approaches and Unused Knowledge

As lobbying first of all means supporting one's favoured idea, organisation, or person in charge, restricting this tool would not align with the democratic values worth to be emphasised. It is a way to express a personal (political) opinion and as such, any restriction would also mean a limitation of this human right. Any related policy thus has to ensure an increment value for society to justify the sacrifice of personal freedom. Transparency policies ensure this, as they help to reveal corruption and allow voters to make decisions based on a more complete picture. While already in place and showing positive effects in a majority of countries, these policies do not face the here discussed problem of inequality within interest groups themselves. This reveals a necessity for new solutions in order to deal with the previously mentioned circumstances.

2.1 Basic Income and Education

Unfortunately, approaches such as basic income or investments in (political) education cannot guarantee more contributions or more mobilisation for underrepresented topics. Although studies regularly confirm the positive effect of higher income and education on political participation per se (see e.g. Goetz, 2003; Schlozmann et al., 2012; Szewczyk, 2015, McCarty, 2018), people still need to decide themselves, which cause to support and to what extent. The deduction that a more enlightened and financially better-equipped individual is automatically investing resources in discriminated, society-relevant topics, is hence more an assumption or hope than a real causal effect. Thinking of companies' top managers for instance, some may invest their resources in social and welfare topics whereas others may prefer material gain. Therefore, such a conclusion can be seen as a so called 'trickle-down theory'.³

³ The term 'trickle-down theory' was especially shaped during the Reagan administration as the former president of the United States passed tax cuts for the rich and for businesses with the intention of the beneficiaries investing more into the country and creating welfare for all. To stay in the picture, the additional wealth of the richest percentile should trickle down throughout all classes to the poor and make all better off (Aghion, & Bolton, 1997). Nonetheless, this hope was never fulfilled, and related policies were criticised in academia (Dabla-Norris et al., 2015; Tcherneva, 2015) as well as the media (Frank, 2007; Stewart, 2012).

Basic income and education certainly could diminish the current inequality; and the newly available resources could trickle down to the interest groups in need, but on the other hand also an even stronger support of the currently privileged issues could be the case as the causal chain between the initial action and the decision whom to support is not straightforward but influenced by other factors. This includes the cultural background, family history or any personal life-changing experience.

Taking this into account, for the purpose of inequality reduction in lobbyism and socio-political affairs such policies would be risky, possibly even counterproductive and thus not suitable as an effective solution. Findings over the last four decades as well as recent publications from the World Values Survey (2018) and their researchers (e.g. Inglehart, 2018) underline the multi-dimensionality and complexity of these approaches and the connected risks.

2.2 Fighting Constitutional Flaws

Fighting external influence-promoting constitutional flaws could be another possibility to minimise the dependency of politicians on private resources and as such reduce their responsiveness to the rich interest groups and interest groups in general. Facing problems in financing election campaigns or research during a mandate, external support is generally welcomed by candidates (Gilens, 2005) and incumbents (Hall & Deardorff, 2006).

Nevertheless, losing these ties would require changes either in the constitution of a country or in essential laws and frameworks on the existing party system with regards to financial equipment of candidates and the budgets of parliamentarians. In their paper *Comparative Perspectives on Inequality and the Quality of Democracy in the United States* from 2011, Stepan and Linz give insights into the complexity and hardship of such approaches due to the amount and setup of present veto players⁴ in nearly two dozen countries. Taking the US, starting point of their analysis, as an example, there are four veto players involved: The Senate, the House of Representatives, the President, and the fifty states themselves. In comparison, other

⁴ Stepan and Linz (2011) consult Tsebelis' (1995, p 289) definition of a veto player as an "individual or collective actor whose agreement (by majority for collective actors) is required for a change of the status quo" and further follow his basic idea, that a higher number of such players complicate the possibility of a policy success lastingly.

countries have only one (e.g. Finland, Greece, Luxembourg), two (e.g. Germany, the Netherlands, Canada) or three veto players (Switzerland and Australia), including restricted and specific veto rights, such as referendums.

Thinking of a hypothetical change in the constitution of the United States the applicant has to ensure a majority in both chambers, the support of the president, and $\frac{3}{4}$ of the states to verify the amendment. Considering the constant change of the political frame due to deviating election times on state levels as well as the differing incumbencies in the Senate (six years), House of Representative (two years), and presidency (four years), such a situation is rare which may lead to a blockade or multiple modifications of laws.

Thus, profound changes in the political setup capable of affecting the practicalities of lobbyism firstly need, not only in the US, a fortunate momentum of all veto players being in favour of a change. This can only be expected if a party has necessary majorities in chambers and holds the office of the president, which would also imply the support of the voters.

Nonetheless, holding the presidency as well as all needed majorities does not automatically lead to such a change as Stepan and Linz show on basis of the first Obama administration⁵. The main argument for the avoidance of such essential changes is that the existing flaw or discriminating setup could help politicians at another point in time; and an abolishment would be against their own interests and thus be irrational. In regard to financial support by interest groups, barely anyone benefiting by them will support personal cuts or actively push the inner- or intra-party equalisation of (financial) resources. For example, being parachuted into incumbency by strong media support and free air time, such candidates would be the last to favour adjustments towards a fairer contribution of (financial) means as they do not want to risk losing their power at any time.

⁵ In January 2009 the former US President Barack Obama had the chance to eliminate or at least reduce the power of filibusters in the US-American Senate for at least two years which would have meant the three regular veto players (president and both chambers) to be in democratic hand. Nonetheless, the Democratic Party feared to do so as it could have led to a de-facto elimination of the filibuster system (as a payback for the initial decision, every future majority would vote for an elimination whenever the new Senate comes together the first time) which also could lead to taking the Democrats' chance to sabotage a policy proposal and verbatim talk it to death. (Stepan & Linz, 2011)

Similar to education and basic income, approaches to deal with inequality on a constitutional level are not unfounded itself. Nonetheless, their realisation is complex and requires a magnitude of coincidences as all involved veto players having to be in favour of a change, which depends on political majority and inner-party / coalition obedience. Although such changes are needed in the long run, solely relying on this plan would be risky due to personal interests of politicians and the lengthiness of their implementations.

2.3 The Knowledge is Available – but not used to Full Extent

The complexity and the lack of guarantee of success of the above-described approaches are strongly intertwined with the general nature of common pool resources (CPRs) – resources which belong to all and can thus be used by all (Gordon, 1954) – and the related collective actions. As favourable changes for the overall society might be irrational and unbeneficial on an individual level (e.g. striking out institutional flaws one benefits from or spending money in personally low return investments), not everyone or possibly no one will participate and support such ideas (Olson, 1965; Hardin, 1968). Hence, the unpleasant situation of public interest groups can be explained as well, as such groups often represent common matters as for instance clean oceans or the protection of nature, but also as they fight for rights (equality, child protection, dignity at work, fair distribution of resources), which can only be achieved when society in its whole works together and its members accept personal sacrifices.

Controversially, the current literature on collective actions and common pool resources is nowadays plentiful, wide-ranging and full of details while grassroot movements and diffuse interest groups standing in for such universal matters fail in the long-run or get stuck at some point. In contrast, private interest groups succeed and increase their influence constantly thanks to available budget, (international) networks and the capability of selective incentives (e.g. Dür & Matteo, 2013). A variety of aspects from freeriding, the right sizes, critical masses, the different types of problems, solution through the state or by the people, through privatisation

and nationalisation have been tackled, yet public groups do not seem to take advantage of that knowledge appropriately as one can see on a daily basis in the newspapers⁶.

As the information, can clearly be found somewhere within all the existing theories and works by Hardin, Olson, Ostrom, Granovetter, Heckathorn and others yet, it seems that there is an actual flaw in transition from this knowledge into practice. This might be due to the fact of dealing with theories and not explicit guidelines such as a *Collective Action for Dummies* or *How to Govern the Commons – Beginners*.

Ironically, there actually is a book in the *For Dummies*-series on environmental science, containing ten real-life situations of the tragedy of the commons-examples and challenging the role of humans (Dummies, 2018a; b). Further, Elinor Ostrom's work is actually named *Governing the Commons* (1990) questioning if a strong hand by the state – Hobbes' *Leviathan* ([1651] 2016) –, privatisation or a self-regulation through the commons is the solution. Although her examples are limited to groups of up to 15.000 people, governments, interest groups and movements actually could design measures based on her insights.

But potential handbooks and guidelines are not only available for governments or the hobby activist at home, but also for grassroot movements and (public) interest groups (Bowen, 1996; Gelderloos, 2006). Especially Della Porta and Diani's *The Oxford Handbook of Social Movements* (2015) includes various aspects of movements, their structure, dynamics and their influence on society. Jasper, Moran and Tramontano (2015) contributed a chapter on strategies which faces the trade-offs groups may have to accept for the sake of success and which emphasises the role of movements within a bigger picture. Furthermore, Pamela Oliver (2015) underlines that there is not the one approach fitting all movements due to the variety of

⁶ The author acknowledges that there is currently rising attention for public matters resulting in marches of tens of thousands in countries such as the United Kingdom, the United States, or Germany fighting for equality and unity. Still, there is a danger that this is again just an unused momentum and will not change society lasting. Taking the past as an example, Mancur Olson's *The Logic of Collective Action: Public Actions and Theory of Groups* from 1965, naming all the challenges and struggles of large-scale movements, was published ironically at a time of some of the biggest movements in modern history including the Civil Rights Movement and the protests against Vietnam War in the US followed by offsprings in countries all over the world. Nevertheless, nearly 55 years later and despite Olson's hope reality proves him wrong people – making a long story short – seemingly did not learn at all as public interest groups face the same problems he had described previously.

situations a collective action can find itself in: while the same incentive system may help in one scenario it may also cause disadvantages in another. Accordingly, first steps in the right direction have been taken and essential elements been given, but now it is up to diffuse interest groups themselves to follow up on it.

Four years after the publication of Della Porta and Diani's work may be too soon to pass judgment, but so far, the actual application of the proposed has not happened yet or at least the transition of theory into practice seem to be challenging as a magnitude of movements seem to struggle. The existence of relevant activist groups cannot be denied, for example Green Peace, WWF or PETA, and it would be foolish to assume them not to be changing the world for the better. Nonetheless, at the same time there has not yet been a final break through as it is still a minority and not a majority of society which contributes to their actions, and as they still do not have a leading, but only a warning hand in politics. Similar can be said for other social movements or interest groups representing the unemployed, refugees, ethnic minorities or LGBTIQ community.

Considering Oliver, Marwell and Teixeira's (1985) *A Theory of the Critical Mass*, these movements seemingly have not yet reached their critical mass, the point where the marginal benefits have exceeded the marginal costs and where the snowball- or bandwagon-effect, the situation spreading quasi by itself, takes place⁷. Hence, the question is how to get there and how to reach person's individual threshold, so that they will join the movement (Granovetter, 1978).

Possible starting points and answers have been given already years or even decades before *The Oxford Handbook of Social Movements* was published in 2015. Doves of implicit hints have been given in the major works focussing on collective action and common pool resources but may not have been transformed into explicit operative instructions. So, when Olson (1965, 1982) indicates that successful interest groups differ from less successful ones based on the

⁷ The snowball-/bandwagon effect is only valid for accelerating, not decelerating production functions, as the latter starts with high participation, but has decreasing marginal profits with a rising number of contributors. The former in contrast will spread with every further participant – especially once the critical mass has been reached. As their theory is more than simply finding the tipping point, more details will be given in chapter 3.2 *Basics on Common Pool Resources and Collective Action*.

capability of ‘selective incentives,’⁸ it is self-evident, that one lacking this capability should wonder how to get it. Same goes for example for resources (Gilens, 2005), political responsiveness (Stepan & Linz, 2011; Dür & Matteo, 2013), and networks (Granovetter, 1983; Marwell & Oliver, 1993).

The American Association of Retired Persons (AARP), which started from scratch in 1958 and nowadays consist of about 37 million members which means a representation of over 10% of the US-American population, shows that applying theory can work out perfectly. The success was possible by understanding the potentials of a society’s subset, here the elderly, the related thresholds of the subset’s members (Granovetter’s ‘threshold theory’), how to attract them (Olson’s ‘selective incentives’) and by using the right contacts to realise such incentives (Oliver and Marwell’s ‘selectivity’). Opening the current AARP-website feels more like being on a bazar than representing millions of people (AARP; 2018); although this might be deterrent and disturbing for some, it was attractive enough to a critical mass to become one of the most powerful interest groups in the United States.

2.4 Widening the Repertory - Considering a New Strategy

As this outstanding example proves, improvements in such categories are possible and movements can overcome moments of ‘being stuck.’ Nonetheless, it might be necessary to rethink the currently applied strategy and consider alternatives. One of them, as it will be examined in the following, is the application of ‘second-stage lobbyism,’ which can help overcoming threshold-gaps and thus enable reaching the critical mass. Here, the basic approach is taking advantage of a variety of the implicit recommendations out of the existing literature, combining it with observed intrinsic human behaviour – such as the child influencing one parent to convince the other – and developing a new strategy from it. Something which is still missing in *The Oxford Handbook of Social Movements* and which actually could be seen as a further step towards an explicit tool kit to improve the situation of public interest groups.

⁸ According to Olson (1982) the success of mobilisation and possible further commitments first of all depend on possible positive (financial benefits, bonus programmes) and negative selective incentives (loss of reputation, discrimination) as they can affect existing and attract new members.

In contrast to possible politically initiated changes of which some are not expectable in the short run (constitutional amendments) and others not being able to guarantee an actual reduction of discrimination within lobbyism (higher investments in education, the introduction of basic income), the suggested new strategy will lie in an interest group's own hand and can enable a change in society without being highly dependent on the actual political framework. Therefore, a reassessment of their current attitude towards the unfortunate situation is necessary. Handling it correctly, a transformation of the analysed disadvantages of the system into potential boosters for the own matters can be possible and allow to gap the time till the long-term needed constitutional changes will take place.

As history shows, not only the AARP, but also politicians and parties themselves used this approach already to change the game set and bring themselves in a better position – by reevaluating the own characteristics and benefitting from the here lying potentials and leverages. While in the case of political players in action 'reverse lobbyism' is the specific sub-term (see e.g. Shaiko. 1998; Woll, 2006; Karol, 2015), the already stated 'second-stage lobbyism' is the new and universal generic term whenever a first-stage actor (approximate contact to an official) gets influenced by a second-stage player (without such a relation).

Before being able to develop this strategy, the fields of lobbying, common pool resources, spatial analyses and game theory have to be examined in the following. This literature review will allow the combination of all of them for the sake of a new potentially game-changing strategy and hence a destabilisation of the (lobby-)political status quo.

3 Literature Review

3.1 Basics of Lobbyism

The following chapter deals with the current knowledge on lobbying. This includes applicable strategies and their (dis)advantages, the philosophy behind lobbying, as well as the degrees of inequality and discrimination lobbying in its today's setup creates. The detailed examination of all these aspects is important for the development of 'second-stage lobbying' due to two aspects: on the one hand understanding lobbying in general as the new strategy is built on the same features; on the other hand, and even more importantly, the urge of the second-stage approach becomes clearer when realising where 'first-stage lobbying' fails.

3.1.1 Strategies and their Application

So far two main strategies can be identified within lobbying: “‘gaining access’ or ‘going public’” (Weiler & Brändli, 2015, p 746). The first approach, known as inside or direct lobbying, includes techniques such as supporting a politician or party with resources, briefings, and the provision of data. In order to be able to apply those activities efficiently, direct and regular access as well as a trustful relationship are required as the respective official otherwise would not give the information any further thought. Just think of an unknown person sending mails or handing over pamphlets on the street: the information could be correct, but, as in private life, the probability of trusting that information or even reading it before throwing it away is quite low.

In contrast, going public first of all strives to create public pressure on a policy maker by media campaigns, grassroots movements or any other form of protest. The general idea is that the more attention a topic has in an electorate, the more a politician has to react on it. Considering a candidate to think from election to election, this mechanism actually makes sense, as one wants to stay in office as long as possible and hence supportive voters are necessary. Nonetheless, the actual depth of impact varies throughout the incumbency: having been elected recently, there is little need to be nervous about every protest – especially as people tend to forget over time⁹.

⁹ The psychologist Daniel Kahneman (2010) explains that humans have an experiencing and a remembering self, which handle time differently. While the first one is actually going through an event, the latter creates a retrospective version of the experienced with a focus of the most significant amplitude of the gone-through feeling and the way it ends. With regards to an election period, a politician can basically ignore a majority of the meantime

Accordingly, the pressure is the highest the closer a re-election is coming. As no direct contact to the candidate is needed and as influence is exerted indirectly through a fear of rising non-supporters such activities are referred to as indirect or outside lobbying. (see e.g. Weiler & Brändli, 2015; Dür & Mateo 2013; 2014)

Albeit both approaches are constantly applied by interest groups, the effectiveness and superiority of one over the other are under general discussion. For instance, Christine Mahoney (2007) argues that outside lobbying can actually be harmful to one's purpose. Her argument is that the more attention a topic gets in public, the more a politician has to consider further opinions: in the hypothetical case that only one interest group would currently lobby the policy maker and everybody else would be fine with the regulation in place, there would be no need for this official to listen to further representatives which means that this group should strictly avoid any act of outside lobbying and making the matter subject of public discussion. Due to rising public attention and discontentment, more points of view have to be considered as the politician might otherwise not be able to make sound decisions, may be accused of ignorance and venality, and as a result will lose a significant number of voters.

Rethinking this, it is actually not the outside strategy itself which is inferior but only its application in a specific situation. This more reflected conclusion is also shared by Chalmers (2013) and Oliver (2015), who both see no general benefit of one strategy in comparison to the other but refer to the (dis)advantages in specific circumstances. The above-mentioned setup of being in a privileged position with regards to the number of active lobbyists can be such an example: Maintaining a regular personal contact to a decision maker, although maybe just being one of a dozen, it might be counterproductive to uncover an issue as one actually may sabotage and disrupt a trustful relationship by denouncing the same politician in public (Eising, 2007). But again, there is no per-se inconsistency of inside and outside lobbying, as vice versa outside advertisement can also be used to promote a candidate and one's aims, which can increase the number of sympathetic constituents and allies who also want to benefit from the public hype (Binderkrantz, 2005; Hall & Reynolds, 2012).

distracting fires – major events or disasters may need special attention –, but just need to focus on the last year or months and show overwhelming reaction at that time.

Thus, the issue-strategy-relation is generally accepted by leading scholars in the field (see e.g. Kollman, 1998; Smith, 2000; Dür & Mateo, 2013; 2014) and in line with the fact, that various types of interest groups use both, inside as well as outside lobbying, based on the topic and situation they face (Thrall, 2006; Binderkrantz & Krøyer, 2012). Although this is – cross-disciplinary spoken – no new or surprising insight – consider for example the marketing mix and product diversification of successful companies such as Coca Cola or Samsung in line with differing markets and customers –, it is worth noticing, that this logic actually applies for lobbying as well (Hanegraaff, Beyers, & De Bruycker; 2016).

Taking all this into account, a statement from Baumgartner and Leech may suit the best to summarise all these views: “The most effective groups may not be those that are the best at a given strategy but rather those that have the greatest repertory of strategies available to them [...]” (1998, p. 148).

3.1.2 A Lobbyist’s Philosophy

In comparison to the above-described concordance on diversity to be the key to success, the question of the general philosophy behind lobbying is not yet that clearly answered in academia. Despite the obvious aim (pushing the own opinion to ensure its success) and the awareness of different strategies, there are still ongoing discussions if a lobbyist actually wants to convince, support, apply incentive systems or simply buy power.

The ‘exchange theory’ (Morton & Cameron, 1992; McCarty & Rothenberg, 1996) sees lobbyists as a type of exchange office, simply offering campaign contribution in exchange for the politician voting in their favour. In contrast to this in the ‘persuasion theory’ an interest group’s motivation is to convince a legislator that the offered, often costly information is actually reflecting the electorate’s opinion and thus, guarantees (re-)election by aligning to this point of view (Potters & van Winden, 1996). Austen-Smith and Wright’s (1994) ‘theory of counteractive lobbying’ goes even further and claims that the aim is to convince undecided candidates and even weak enemies, but simultaneously also to apply counteractive measures to repel hostile lobbying activities on like-minded politicians.

With the majority of empirical data since the 1960s underpinning interest groups mostly lobbying like-minded politicians (Baumgartner & Leech, 1996; Kollman, 1997; Hall &

Deardorff, 2006), Richard Hall and Alan Deardorff (2006) developed the theory of *Lobbying as Legislative Subsidy*. In their paper they point out that lobbying in most of the cases guarantees to friendly-minded politicians what they need the most: Resources. May it be in form of money or actual human capital, decision makers often lack both and thus cannot focus on the topic an interest group has a stake in. Accordingly, by offering support in a specific matter, this issue will ascend in the policy maker's priority. Herein it is worth to note, that the topic itself is already on the agenda, but maybe currently does not get the attention it deserves in the group's point of view. To change this, it will invest in gathering expensive information, hiring experts and relieving the (potential) incumbent's team.

Considering this, also the 'exchange' and the 'persuasion theory' can be – in a way – included in the 'subsidy theory' as the lobbyists actually exchange resources for a vote – although it is not a one-time-shot, but continuously – as well as persuade or better said incentivise¹⁰ their like-minded lobbying targets to reorder their priorities and to focus on the lobbyists' favoured topic as a key to win the election. As mentioned before the application of outside lobbying can also be in line with these motivations as a high number of memberships can guarantee support, convince to refocus and can actually be used as subsidy to raise public attention.

The possibility of a destructive attitude such as for instance the blockade of bills, especially for outside lobbying, should be named as well, nevertheless Beyers (2004) and Binderkrantz (2005) can only confirm rare appearance. In a way it is considered as a 'back to the wall' or 'desperation' philosophy as constructive and positive approaches have reached their limits or cannot be designed anymore due to group-specific constraints.

¹⁰ It will become clearer in the following chapters that one can actually 'persuade' or 'convince' only in case the person to deal with is seen as one of opposite opinion in an ideological way. Nonetheless, a lobbying target can still have another point of view or might also be indifferent on a matter but follow the interest group's suggestions as it may turn out to be the most promising approach. Accordingly, there does not automatically have to be inner persuasion, but only sufficient incentivisation – which nevertheless is easier in case of common values and ideology. To differentiate these two situations Riker (1990) introduced the concept of 'heresthetic' in delineation to the old Greek idea of 'rhetoric.'

3.1.3 Group Types and their Consequences

Categorising interest groups is to some extent difficult due to the possible combinations out of motivation, objectives, financial resources, funding and membership setup. Therefore, it is important to focus first of all on the main characteristic: Who benefits from the activities? Already in 1969 Robert H. Salisbury distinguished between diffuse or public interest groups such as Amnesty International or Green Peace, which strive for common interests independent of membership, and those with specific goals just helping their members such as unions or industry representations. Despite having a specific objective, Weiler & Brändli (2015) also consider the representation of human beings unable to represent themselves such as asylum seekers, future generations or animals as a public but not as a specific goal group and therefore adjust the label ‘public interest group’ to ‘cause group’ allowing more inclusivity.

Further, Dür and Mateo (2013) break down interest groups with specific goals to ‘business associations’ – groups with firms or firm associations as members – and ‘professional associations’ which represent a certain profession such as doctors or lawyers, but also workers of a specific industry organised in unions. In theory, only members of this circle benefit from the achievements of this interest group. Nonetheless, reality often proves differently as non-unionised workers will also receive the bargained raise in salary¹¹ and companies or professionals who are not willing to participate will be affected by new laws or regulations as well. Pending on the definition and the setup of the situation these profiteers who have not contributed can be seen as freeriders¹² (see e.g. Olson, 1965; Heckathorn, 1996).

Religious groups such as the church have to be considered as hybrids: on the one hand according to the actual religious values of for instance Christianity, Islam or Hinduism their goals should include all humans, thus go beyond the borders of membership and non-contribution should not

¹¹ Although this may differ from country to country, constitutional rights often ensure that inequality in payments may not occur due to personal characteristics such as colour, sex or the union membership status as one can see for example in Germany or France.

¹² Throughout this work there will be given more details on freeriding and related discussions. Nonetheless, an examination of the phenomenon in its full extent would exceed the limits of this dissertation by far. Amongst others, Mancur Olson (1965), Michael Taylor and Hugh Ward (1982), Elinor Ostrom (1990), Lars Uhdén (1993) and Douglas Heckathorn (1996) offer fascinating insights which get one thinking.

lead to the application of selective incentives¹³. On the other hand, the institutionalisation of religion creates subunits which, as history but also present events show, claim only for their own benefit or alternatively push at least the exclusion of specific groups. The Catholic and Protestant church lobbied as long as possible for themselves and against the Jews during the Nazi-regime, the missionary work in India, Pakistan and Bangladesh promotes conversion to Christianity with the benefits of the new created casts, and the politicisation of belief in the United States actually create polarisation instead of unification.

Next to possible hybrids as the above-described, various further subcategorisations as well as slightly differing labels and definitions are available (see e.g. Bouwen, 2002; Halpin, 2006; Hanegraaff, Beyers, & De Bruycker; 2016), which actually do not differ in the core idea of diffuse and specific interests, but only emphasise more the one or the other nuance within these two types.

Based on this, a number of the above cited and mentioned scholars applied the question how group type affects one's lobbying strategy. Outside lobbying is often said to be the tactic and tool of the weak, who lack in expertise, resources as well as access, and thus determined as the approach of public interest groups. The argument is that basically everybody can go to the street and hold up a sign, but not everybody can provide policy-relevant data and well-designed proposals (see therefore e.g. Della Porta & Diani, 2006; Kollman, 1998). Although recent studies (Dür & Mateo, 2013; 2014; Weiler & Brändli 2015; Hanegraaff, Beyers, & De Bruycker; 2016) actually show that diffuse interest groups tend to apply those techniques such as marches for or against a matter, any form of squatting, as well as social media campaigns or petitions more often, it is not that easy to affirm the statement of weakness without further and more detailed examination.

First of all, and as mentioned already above, a topic-specific strategy-mix of inside and outside lobbying seem to be the most promising approach, which counts for all interest groups independent of their type and resources due to the actual conditions of the current situation and the own involvement at a point in time (Beyers, 2004; Binderkrantz, 2005). Outside lobbying, moreover, neither comes for free: although one is in the fortunate situation of an easy-to-

¹³ This restriction is limited to the life on earth, as all major beliefs promise either rewards in eternity or in the next life.

mobilise fellowship, there actually can be high costs related to organising marches and to going public on the media (Gerber, 1999; Beyers, 2004). Considering the latest demonstration *unteilbar* (indivisible) against discrimination and right-wing extremism in Berlin in October 2018, over 240.000 people participated. Although, a majority of those people paid their tickets themselves, the organisers of such marches often pay for busses and trains for a critical amount of people to guarantee a threshold. Investments in promotion on social networks or guerrilla marketing, as well as necessary equipment such as speakers, boxes, megaphones, and common outfits are essential to ensure a professional setup. Any level of chaos would again strengthen the critics' argument of weak and unprofessional scapegraces which consequently would denunciate the group's public and political credibility. Finally, Chalmers explains that also NGOs often prefer inside approaches not only because of costs, but especially because of timeliness as “[i]nformation that is too late loses all of its value” (Chalmers, 2013, p 52).

3.1.4 Inequality within Lobbying

Hence, there seems to be some level of paradox as a majority of diffuse interest groups still apply simpler and rent-seeking outside lobbying in contrast to their narrow equivalents, despite both having the same attitude towards a balanced strategy. Thus, as they seem to act against their own preferences, there have to be other triggers for this behaviour. The following three are of high relevance: first, competition for donors and members within organisations of similar fields, which requires more public attention; second, the kind of information which can be delivered due to the available budget; third, a bias of politicians towards the rich, which may result in public obstruction as a best response in absence of the actual ability to design policies.

It is self-explanatory that a well-balanced and specifically designed lobbying strategy comes with a price tag which automatically creates inequality. As activities either require money to finance them (e.g. polls, research and advertisement) or a significant number of members to make a march or a blockade sensational enough to evoke attention, interest groups which lack both features experience big disadvantages to promote their ideas.¹⁴ In contrast, groups with

¹⁴ Again, this does not automatically mean that the idea itself is bad and not of any interest to the people. Olson (1982) explained that a majority of US-Americans are interested in the protection of the environment but seemingly not interested enough to contribute financially or to invest some of their time. When discussing the features of collective action in the next chapter this will be discussed in detail by applying Donald Saari's ideas on ignored

both have a promising starting point as they draw from a full repertory, and those with at least one feature can definitely ensure some activities and might have the chance to compromise the missing characteristic to some extent. (Gilens, 2005; Thrall, 2006)

A member-rich group for example can first of all organise marches and also ask its members in a second step to contribute financially for further activities – due to the big number even small amounts can help to raise sufficient money. According to Olson (1982) the success of mobilisation and possible further commitments firstly depend on possible positive (financial benefits, bonus programmes) and negative selective incentives (loss of reputation, discrimination). Secondly, other social aspects such as group identity and common ideology can trigger contribution such as fundraising and thus success due to a feeling of unity (Udéhén, 1993; Kollock, 1998). Vice versa, financial abilities could be used to attract new members if needed.

Accordingly, in absence of both features, money or member base, a promising foundation for success is obsolete and thus an interest group has to use a majority of its limited resources for maintenance and survival instead of pushing the favoured topic efficiently. Hanegraaff, Beyers and de Bruycker (2016) as well as Brennan (2009) show that the decision to go public is often not made as an act of lobbying, but as an act of self-advertisement and rent-seeking. In the face of lobbying it means that interest groups try to increase their own share of the existing and available funding without creating any additional funding resources. Taking the example of public issues, the number of donors is small in relation to the overall population and will probably not increase out of sudden just because of more interest groups engaging for a topic (Olson, 1965). Thus, as there is a given budget but a varying number of groups representing similar topics, competition for financial resources occurs with the primary goal to maintain and survive, not to attract more allocation of money to the topic. Facing a budget constraint, possible donors being interested for instance in saving rare local birds and the Amazon either have to split up the overall possible financial contribution equally – which makes every group's share even smaller – or has to decide for one topic, which is probably the one being more present and pushed in one's daily life. Hence, the more interest groups there are in a field of collective

information in decision-making as well as voting processes, and by examining the results of the World Values Survey (2018) throughout the past decades.

action, the more a group has to invest in lobby-wise inefficient but rent-seeking-wise necessary actions just to get a bigger stake and survive.

Taking Germany as an example, the private donor market is a saturated one, with a volume of about 5,5 billion Euros a year and a declining number of donors since 2005 (from about 34,6 to 20,5 million in 2018) at the same time. Accordingly, a smaller number of people will bear a probably constant amount in the future. Although this may sound like a decent available volume for humanitarian actors, the number of actual competitors has to be considered as well: more than 600.000 civil society organisations are currently registered in Germany out of which a constantly rising number is actively conducting fundraising – not guaranteed to receive an equal or even fair share in comparison to the investments. The field already makes a distinctive difference. Humanitarian help for instance receives about 74% of the overall 5,5 billion Euros, disaster relief roughly 10%, and the remaining percent are shared by environmental and animal protection, as well as sports. But even within the same field there is big variety with well-known organisations one the one hand – Doctors without Borders for instance making about 133 million (Ärzte ohne Grenzen, 2018), WWF about 40 million (WWF Germany, 2018) or Amnesty International 19 million Euro (Amnesty International Germany, 2018) –, and small actors on the other hand which may only receive amounts in the hundreds or low thousands.¹⁵ (Priemer, Labigne, & Krimmer, 2015; Deutscher Spendenrat, 2019)

In comparison, with regards to an industry or a profession this issue is barely present as the upper bound of contributors is in general given by the people working in the field as well as possibly related areas such as suppliers; a manufacturer specialised in the production of Diesel motors for instance is probably willing to contribute in lobbying for Diesel cars. As this small group of profiteers in general aims for the same goals, there is no need of various interest groups – neither size nor topic wise. In case the returns on investment are not promising enough, having the capability to apply selective incentives is another possibility to ensure contribution.

¹⁵ Doctors without Borders in Germany lists costs of about 23,5 million Euro for fundraising and donation management. Although the WWF and Amnesty International do not give exact numbers, they underline the growing importance of fundraising for the organisation's future income and therefore justify rising related investments. The increasing costs of those three actors actually confirm Hanegraaff, Beyers and de Bruycker's (2016) as well as Brennan's (2009) described maintenance idea and give an insight in how competitive the German market already is.

In general, an interest group such as any other organisation is in constant need of financial resources to cover the organisational overhead as well as the necessary lobbying activities. Nonetheless, in contrast to businesses and governmental institutions, they can neither attain a sales volume on the market nor can they rely their budget on compulsory dues such as taxes. Thus, they are dependent on contributions by members or any kind of supporters, which is normally very limited based on the topic. The constant rent-seeking for one's own share is vicious as it is an actual waste of resources (Mueller, 2003) and thus harms the efficiency of issue-focused lobbying. Herein, the first major discrimination of public interest groups can be seen. (Olson, 1965)

Another important factor for successful lobbying is the policy-relevance of the provided information (Eising, 2007). As Bouwen (2002, 2004a, 2004b) shows for the European Union an interest group gains more access to policy-making the more technical, operational and expert information it can offer. Neither Michalowitz (2004) nor Dür and de Bièvre (2007) consider NGOs – representing the majority of diffuse interest groups – to be capable of producing and providing such information, but only to always fall back on public and general claims for human rights such as social justice and equality, as well as a sustainability with regards to the environment.

As also public interest groups prefer an inside approach (Chalmers, 2013), the above-mentioned general inability to produce technical or expert information cannot be the full explanation. Considering the big investments in maintenance activities, it probably has to be lined out that this lack of remaining resources does not allow research-intense work in the necessary scope and detail policy makers need it. Thus, instead of doing nothing and until more resources are available a less expensive outside activity might at least cause attention, result in new contributors and work in a blocking as well as time buying way; a destructive and disruptive one when being extreme (Beyer, 2004; Binderkrantz, 2005).

Finally, also the biased responsiveness of politicians to the proposals and interests of the rich (Gilens, 2005; Dür & Mateo, 2013), the more international organisations as well as the economic heavy weights (Eising, 2007) may push the diffuse interest organisations, which barely match any of these three descriptions, from inside to outside lobbying. As before with

the gathering of policy-applicable information, they see only rare chances to influence sustainably on the direct way, but they at least can raise attention and maybe create obstacles for policies against their interest by applying indirect tactics.

Linz & Stepan (2011) as well as Gilens (2005) explain this skewness for the US with the dependency of politicians on private funding for campaigns. Dür and Mateo (2012) as well as Eising (2007) underline this phenomenon with the European Commission's need of strong economic partners on national and European level. Thus, financial as well as member aspects are not only discriminating in the creation of relevant information, but also result in inequality with respect to the acceptance of such data on the receivers', namely the political side.

Taking the various mentioned aspects of budget, mobilisation, and political responsiveness into account the current setup of lobbying – not lobbying itself, which is important to mention – creates a high level of inequality towards interest groups which are promoting public matters, and which are dependent on collective actions by at least a great percentage of society. This is due to differing resource endowments of narrow and diffuse interest groups as well as politicians' responsiveness to these endowments. The urge to invest constantly into essential rent-seeking activities is highly intertwined with this skewed political responsiveness as higher budgets for those measures decrease the budgets for actual productive and information generating lobbying activities. Accordingly, without legal changes and/or such discriminated groups' strategy optimisation – for instance the application of the hereinafter developed second-stage lobbying – certain topics will remain underrepresented – to the detriment of a majority of if not even all people.

3.2 Basics of Common Pool Resources and Collective Action

As described so far, one can see that the discriminative setup in lobbying and as a result also politics are actually an issue based on societies' views on and assigned responsibilities for common pool resources. This, furthermore, counts for the related collective actions people are ready to initiate and partake. Not feeling responsible for such a good, there is no need to contribute in collective actions for which public interest groups often exactly fight for: The maintenance of common resources, their sustainability, as well as equal usage.

In the following chapter a short summary on existing literature will be given, which could be used for operative real-life application but often gets lost or forgotten in transition. At the same time this allows to get to know the basics as well as to realise step by step for oneself how one could actually take advantage of available theory. It will be shown, furthermore, that the already earlier named freeriding problem is a question of definition as not everybody has to be involved in every activity as long as the theories of critical mass and threshold are considered correctly.

Again, also this examination is crucial for the elaboration of ‘second-stage lobbyism’ as collective action and the attitude of society towards a matter will be decisive elements within the strategy’s theoretical frame.

3.2.1 The General Ideas and the Occurrence of Freeriding

Common Pool Resources (CPRs) or common-property, as Scott Gordon (1954) named then, are resources which belong to all and thus can also be used by all. He considers the sea with its fish, the forest with its wood and game, but also fossil resources as a common good; Elinor Ostrom (1990) argues similar. Collective action in contrast reflects the idea of individuals with common interests working together to achieve greater goals; this can be on a level of ten, but also of several million or even billion (Olson, 1965).

Mancur Olson (1965) as well as Garrett Hardin (1968) clearly pointed out, that with respect to common pool resources and collective action a person’s choice might be rational and beneficial on an individual level, but nonetheless unfavourable for society. This is the case, as one’s utility function differs from society’s and thus, their optimisation will lead to a deviation or in the worst case completely contrary results.

Hardin’s famous example is based on a group of herders who all use the same pasture and who all want to maximise their profits by keeping as much cattle as possible. In times of instable society (e.g. wars, diseases like the plague, high infant death rates and livestock diseases) the circumstances itself may regulate a balance between available but limited resource. Nonetheless, in case of their lack such limited resources – in his case grassland – are to the mercy of individuals, who accept the good’s exploitation – here feeding cattle – as long as they can satisfy their own rent-seeking goals. Consequently, every herder will add as much cattle as one can as every animal creates further surplus. Soon the limits of the pasture will be reached,

and any addition will lead to overgrazing. Nonetheless, the personal benefit of one additional cattle is 1 while the cost it bares is only a fraction of it depending on the number of involved cattle farmers. While rational to maximise in the short run, this decision will lead to the long-term result of ruin as no grass will remain for anybody. To prevent this from happening to humankind, agreements and norms that are accepted and followed by all are needed to guarantee survival.

Similar problems occur for collective action as Olson (1965; 1982) explains. As the term itself already indicates, the collective is required to ensure the provision of goods and activities which cannot be managed only by one or a subset of society. This includes in comparison easy examples such as financing a bridge, motorways, a school or any other community building, but also way more complex setups and challenges such as the protection of the environment, dealing with refugees or agreements on denuclearisation such as the Intermediate-Range Nuclear Forces Treaty (INF) which was just recently suspended by the United States.

Firstly, assuming voluntary contribution, an important difference between those two categories – easy and complex – is, that one can experience the benefits or disadvantages of her investment or not. Contributing to a new school or a new playground is an action with concrete personal results, which could be less time in the car when dropping the kid or a financial enhancement of one's property due to the more attractive neighbourhood; vice versa, the closure of a bus stop, train station or school could result in debasement. Accordingly, every personal investment smaller than the potential debasement is worth it as it may prevent the bigger loss (see e.g. Oliver, Marwell & Teixeira, 1985). Nonetheless, already in such a setup Olson (1965, 1982) expects members to freeride and not contribute at all or at least as little as possible to maximise the own gain by burdening their parts to the rest of the group.

Secondly, he predicts an even worse scenario in case the consequences of a contribution cannot directly be observed, which is for instance the case when thinking of actions for the sake of climate as today's actions will probably take decades or at least years to show a difference. Hence, one may not even ever see the results of the own contribution or alternatively the actual costs will exceed the benefits observable in one's lifetime – so why to do anything at all? Again, Olson assumes people to freeride and enjoy the others' contributions; here – as described in more detail already when facing key factors of successful lobbying groups –, he sees selective

incentives as a chance to make contribution more attractive: either by positive means such as bonus programmes or negative measures such as social exclusion to enforce participation.

Although CPRs and collective actions are per se different matters, they are similar in their nature (Ostrom, 1990), and certainly both need commitment by society; to make an agreement with regards to the usage of common pool resources and to succeed in the case of collective action. As a consequence, for both the question ‘How to attract participants?’ needs to be answered. As movements and interest groups (e.g. Green Peace) strive for arrangements for CPRs (e.g. the Amazon), for the sake of simplification and in the face of critical mass and threshold theory, both will be treated as one in the following – Granovetter (1978) does the same and generally only refers to ‘riots’. In this work ‘movements’, ‘initiatives’ or ‘interest groups’ will be the generally applied terms.

3.2.2 The Theory of Critical Mass

With regards to freeriding Oliver and Marwell (1985 with Teixeira, 1993, 2001) make important points throughout their work on collective action and the critical mass: first of all, one can only freeride if there is something to ride; but as a lot of movements fail already during their uprising, there is no chance for anyone to take advantage of this. Secondly, they point out that not all setups enable to freeride, as shown in the following, but that this possibility strongly depends on the production function in place. Here, they mainly focus on decelerating (Figure 1(b)) and accelerating (Figure 1(c)) functions which behave completely differently. This leads to varying social dynamics and alternating probabilities of the collective action to take place at all.¹⁶

¹⁶ Heckathorn (1996, 1998) gives detailed, worth-reading examinations on which different types of social dilemmas namely the Prisoner’s Dilemma, the Chicken Game, the Assurance Game, the Altruist’s Dilemma and the Privileged Game are assigned to which production function and why.

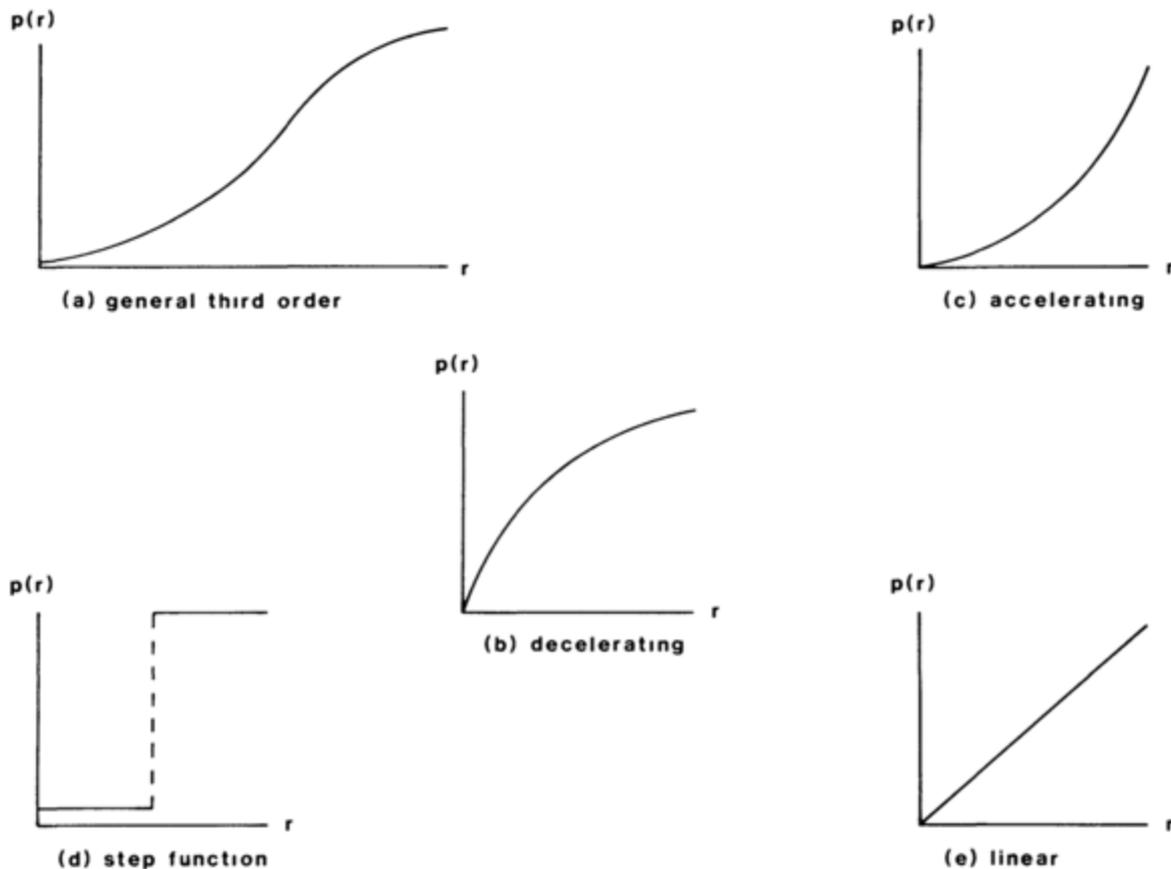


Figure 1: Different shapes of production functions (Oliver, Marwell, & Teixeira, 1985, p 527)

A decelerating function describes a situation where the biggest marginal benefits can be achieved by the earliest contributions, followed by decreasing marginal returns on investment (ROI). Oliver, Marwell, and Teixeira (1985) use the example of a picnic to make such a situation understandable: the first person sets up a date and a location, calls everybody, checks the weather forecast and gives regular updates. This initiator makes the biggest contribution but also achieves the biggest ROI for the group. The second person brings in a huge stake by making arrangements on the food; nonetheless, it is already smaller. Every further act for instance on possible games or music only brings smaller marginal benefits than the more essential parts of a picnic, namely location, time, and food. Soon a critical point or in their view a critical mass of contribution has been reached where marginal costs exceed marginal benefits: cups, plates and mugs in a specific theme might be nice to have but are not crucial for labelling a picnic a picnic. Relevant occurring problems in such a situation are especially optimisation after the first major investments as it is less attractive and the possibility to freeride is higher. This is in line with Olson's general expectation with regards to collective action.

In contrast, in a situation of an accelerating production function, they do not see freeriding as an essential concern. One can certainly lean back and enjoy the results of the others' contributions, but due to its characteristic, late participation is nonetheless required to solve the problem and actually achieve the bigger and often final effects. They use the example of a community house, which has to be built from scratch: in the beginning meetings have to be organised, the building has to be designed, land and construction companies have to be found, contracts to be signed and so on. All these initial actions are necessary but bring virtually no or only small benefits to the physically-usable house itself. This changes with pouring the foundation and erecting the walls. Now, assuming that the majority of the group already paid their part, guaranteeing local authorities' security approval relies on the last contributors and their financing of the fire alarm system. Without having this acceptance all earlier contributions would be wasted and the building of no use. And where there is no useable house, there is no freeriding.

As real-life shows, not all collective action processes require all members of a society to guarantee success, and a relevant part of the goal may also be provided by a sufficient subset.¹⁷ Consequently, some will have the privilege to enjoy collective achievements without contribution, which actually can be seen as what Olson describes as a 'privileged group' (1982) and which is in line with Heckathorn's (1996) later idea of a privileged game. Interestingly, also Olson does not see this as a negative, but actually a quite positive situation, which creates advantages of one group over the other. So why should such a setup not be positive for the society as a whole? In contrast to Oliver and Marwell, who just challenge Olson's statement on the relevance of freeriding for accelerating production functions, it is as well worth asking that question in general. Is freeriding actually a problem at all and thus is it necessary to enforce collaboration as otherwise nobody would contribute at all?

¹⁷ Marwell and Oliver (2001) acknowledge, that also partial success can be achieved and that for this the critical mass is not necessarily needed. In contrast to their house example one can think of environmental protection: every action, every contribution, and every campaign is adding surplus to the aim of protection and can result in a postponement of the total collapse of the environment; some contributions may gain years, others maybe only days or even minutes. Certainly, one can then freeride on this won time, but the actual aim is still outstanding.

Unfortunately, the answer is not that straight forward. Nobody contributing at all, clearly, would mean no action at all, no agreement at all and thus a collapse of the system as Hardin forecasted it for his shepherds – at least there would also be no freeriding. Nevertheless, one has to realise that there will always be freeriding as there is no possibility for something like a perfect system with complete observation and controlling mechanisms due to the occurring costs (see e.g. Ostrom, 1990) and the always present principal-agent-problem¹⁸ (Hart, 2003).

Marwell and Oliver (1993) accept this all-collective-action-uniting characteristic and state that some freeriders per topic, in a way a critical mass as well, are actually acceptable as long as there is a critical mass per topic which accepts to bear the costs for the entire society. To phrase it in Udéhn's (1993) words, twenty-five years after Olson's original postulate, collective action is not any longer a matter of 'either/or' but of 'how much?' and 'under what conditions?'

Thinking this through, the relevant question is not, how many freeriders there are, but if there are sufficient contributors. The result will be the same – success or failure –, but the approach is different: 'How to attract contributors?' instead of 'How to enforce contribution?'. Based on the heterogeneity of society respective resources and interests – another main assumption of Marwell, Oliver, and Teixeira (1985) with regards to collective action and social dilemmas which is also supported by Glance and Hubermann (1994) – the chance of early supporters for basically every matter is more or less always given¹⁹. As not everybody is interested in the same topic the same way at the same time, there will always be people who are keen on one specific matter and are ready to support it. Once this is given, the occurring critical question is, if this impetus is enough to attract the needed critical mass to push the movement long-term and let it flourish. (Marwell & Oliver, 1993)

¹⁸ The principal-agent-problem always occurs when one, the principal, assigns tasks to another, the agent. As the interests and goals of both actors never match perfectly, there will be differences in how the task was meant to be fulfilled and how it actually was examined. The idea of covering every possible scenario in a contract is, furthermore, not feasible as there are simply too many of them to be considered. (Hart, 2003)

¹⁹ This assumption is also supported by the recent findings of the World Values Survey (2018), which show that there is a rising probability of higher interest in individuality, and thus heterogeneity, in case of a stable society including democratic features.

3.2.3 The Theory of Threshold

Here, Granovetter's (1978) 'threshold theory' gives important insights as it examines the following questions: At what time will a person join a riot?²⁰ What time will a participant leave it? Which factors play an important role for those decisions? According to him, threshold is "that point where the perceived benefits to an individual of doing the thing in question (here, joining the riot) exceed the perceived costs²¹" (p 1422); it is of great importance to note, that a personal threshold-function is per se not limited to one tipping point, but that there can also be additional thresholds that can evoke leaving the movement as well as re-joining. Although a variety of people can have the same threshold, its setup is individual due to the subjective perception and weighing of the same factor. Next to the pure number of people who already joined the riot, personal relationships to participants, especially family and friends, can play a significant role, as their activism most probably can be weighed higher. Further spatial and temporal effects play a role. All the aspects are quite logical and self-explanatory, as most of us feel more affected by things emotionally and physically being closer to us and which just happened recently.

Nonetheless, additionally to friends and family one should consider the influence of celebrities, athletes, companies and nowadays influencers, which basically can be everybody on social media with enough followers. Moreover, Granovetter's examination is quite positive-directed by saying that further people result in coming closer to another one's threshold. This ignores the fact, that the wrong people or groups can actually evoke the complete opposite: The participation of a right-wing party in an environmental march could, but does not automatically have to, affect the decision of a left-wing voter to contribute. Hence, this point has to be taken into consideration when elaborating second-stage lobbying.

At the same time is important to mention, that a changing constitution of a collective action – for instance joining of unappreciated people – does actually not change the personal threshold; this is a result of personal factors such as attitude, education, social background, welfare. What

²⁰ Granovetter neutrally calls every collective action a riot.

²¹ Marwell and Oliver (1993) shortly describe something similar and name it 'indirect production function'. Generally, it can be seen as a form of constraint in a person's utility function as this condition has to be fulfilled, before action takes place, but also before a person can maximise her outcome.

changes is that the new joiners affect the achievement of the threshold negatively and possibly more severely than any average participant. (Granovetter, 1978)

Another relevant point to take out of Granovetter's 'threshold theory' is the acknowledgement of threshold-gaps within society. In a perfect group of 100 people there would be a uniform distribution of one person with each threshold: one with a threshold of 0%, one with 1%, one with 2% and so on. Accordingly, the moment the first would start, the second would follow and the bandwagon effect would take place with finally the whole society to be involved in the action. Unfortunately, real life does not offer such a setup and thus in a best-case scenario a Gaussian distribution could be expected with growing population, but even in a normal case there will be gaps. These gaps can actually easily explain, why movements fail right away or stagnate and will not or possibly never reach their critical mass. Simply imagine the same group of 100 but assume there are dozens of people with a threshold of 10%, but none with one of 6%-9%: The motivated 5% would at least according to theory never have the chance to reach the 10% group.

In reality people's threshold can change constantly as their personal characteristics such as education or financial circumstances vary throughout life time. For instance, Crossley and Ibrahim (2012) show that university is a hotspot of such far-reaching effects, which can rough up whole personalities – and thus also their thresholds – purely based on all the possibilities and influences one has on campus.²² Although they only refer directly to Oliver and Marwell's 'Critical Mass Theory', the mechanisms of the threshold theory can be seen clearly in their work as well.

Another critique on Granovetter's work is actually one he points out himself: Human beings do not think in exact percentages, but more in areas and perceived percentages. There is barely a moment when people actually count all the participants of a march and there is often no

²² As mentioned in chapter 2.1 *Basic Income and Education*, Goetz (2003), Schlozman et al., (2012), Szewczyk (2015) and McCarty (2018) found supporting evidence for the positive effects of education as well as income on political participation in general, which can be seen as a change of one's threshold towards a matter. Still, it cannot be predicted in which amplitude and for which topics. The same course on basic income could increase, but also decrease one's threshold on its establishment, based on other existing circumstances like one's social class, former struggles in life or cultural branding. Crossley and Ibrahim's (2012) study confirms this point of view as well.

difference for the average person if it is 7% or 8% of a society that contributes. Nevertheless, there is a chance to perceive relations appropriately: When the National Mall in Washington D.C. is occupied by demonstrators, this might be a turning point and convince one to join. Simply as the Mall is massive and for it to be crowded means thousands of people. Similar occurs for any high numbers in the 10.000s which are not really tangible in itself but become understandable when realising a town or city one knows captures that many inhabitants. Thus, when applying the mechanisms of the ‘threshold theory’ practically, one should not plainly take the exact calculated value into account, but rather take it as an indicator and respect the fact that there will be some deviation in people’s actual perception of the situation.

3.2.4 Lost in Transition

As mentioned in generally in chapter 2.3 *The Knowledge is Available - but not used to Full Extent*, academia provides a magnitude of insights which currently seem not to be applied consistently in interest groups’ operative actions and strategic planning. This counts for Olson’s selective incentives as groups still do not seem to be capable of realising their full potentials, as well as for Ostrom’s idea of governing the commons which can be adopted to some extent to social movements^{as well}²³. Unfortunately, this is furthermore valid for the threshold and critical mass theory as follow-ups and various applications show. Interestingly, other disciplines appreciate this groundwork and take advantage of it for their purpose, while it is lost in transition in the most obvious and most needy field of application: collective action.

Although Granovetter continued his work on thresholds in collaboration with Roland Soong until the late 1980s on various specific aspects (1983; 1986; 1988), there was only to some extent follow up work or revision of his theory. Valente (1996) herein generally agreed on the basics of the theory and gave a more detailed presentation of the actors who are involved in a social movement, assignment of threshold-areas, and specific roles within a movement such ‘early adapters’, ‘early majority’, ‘late majority’ and ‘laggards.’

A similar phenomenon occurred for Oliver and Marwell, who actually

²³ Including her ideas in more details would over-strain the limits of this work. Therefore, here it should only be said, that her main principles are valid for groups of every size and purpose. Also, her examples of CPRs including up to 15.000 people can be made use of by understanding main mechanisms and adopting approaches.

decided actively as they state in 2001, to stop further work on their theory of critical mass and refocus on other aspects of social science. One reason might be their actual frustration on the way their model has been (mis)used within the year's after their 1993-publication. As they mention in their review *Whatever happened to critical mass theory?* (2001), they were happy to see the impressive and comprehensive application of their work in communication studies, adaptive learning models, as well as Heckathorn's further thoughts on sanctioning in social dilemmas (1996, 1998). Nonetheless, they also realised that their theory often was not understood completely and often just seen as tipping point for action, ignoring aspects such as selectivity, heterogeneity and the difference in production functions.

Apart from Crossley and Ibrahim's application on the political life of students (2012), most recent works from the 2010s related to critical mass and threshold theory can be identified firstly as cross-discipline application and only secondly as a link to social movements and collective action: the critical mass of women in the US-American judicial system (Collins Jr., Manning, & Carp, 2010), stable ecosystems based on the wiki model (Phrasarnphanich & Wagner, 2011) as well as collective intention in social media communication (Shen, Cheung, & Lee, 2013). Hence, despite their value in theoretical social science and their foreign-discipline development, there is barely evidence for proper and intended operative application of these ideas.

The Oxford Handbook of Social Movements, edited by Donatella Della Porta and Mario Diani (2015), is probably the most recent work which tries to connect all possible aspects of social movements including but also critically facing Olson's and Ostrom's ideas, and Granovetter's as well as Oliver and Marwell's theories. The result is an over 800 pages strong book with eight main parts dedicated to the theoretical perception of social movements in various disciplines, structural processes throughout time, participants' engagement and motivation, their organisation, possible tools, opportunities and constraints, as well as rounding off movements' impact on society and politics. With respect to second-stage lobbyism especially two parts are of special interest, *Part III Micro Dynamics of Contention*, which deals with the motivation to participate, and *Part V Repertoires of Collective Action*, a summary of available strategic tools.

Again, nevertheless and despite all the theoretical strength of the presented content, the description of possibilities and means is too abstract to see it as an actual step-by-step guideline.

This might be, as Oliver (2015) points out in her essay *Rational Action*, as there is and will never be a one-size-fits-all theory and thus strategy as social movements are simply too complex and too intertwined due to all the active players and relations to consider. Nonetheless, at the same time she gives many hints on how a tool kit could look like as she indicates the importance of selective incentives – especially when not only considering material ones but including solidarity, the bond to comrades, and purpose, the bond to internal motivation, ethics – as well as the earlier contagion-focussing models of crowd behaviour. So why not develop an applicable set of means which combines the relevant features of both and which allows to establish strong social movements?

Jasper, Moran and Tramontano's (2015) contributed essay *Strategy* describes the need of different players to act differently in divergent arenas – a sum of rules all players accept –, which dedicates thoughts to the origins of tactics, namely innovation and adoption, and which also states that groups aim to influence others. While certainly being correct, also their work is on such an abstract level that it covers everything and nothing. A statement which they actually confirm throughout the essay as they confess, that there is barely any knowledge on activists' decision-making processes and that “[t]oo often, a strategic analysis remains implicit in research and theory” (p. 399).

Considering the situation of social movements that was described earlier in this work, this is at the same time surprising and to a certain extent even alarming as a majority of riots is actually struggling with striving for personal thresholds and triggering the bandwagon effect towards the critical mass. Thus, keeping this shortage in mind throughout the remainder of this elaboration will help to design a sound, new and less abstract strategy, which enriches the repertory of public interest groups. At the end, the newly developed concept of second-stage lobbyism should be both, significant on a theoretical level as well as applicable on an everyday-life base.

3.3 Basics of Spatial Analysis

Spatial analyses are nowadays in quite frequent use and their application reaches from city planning, chemistry, retail management to politics – and there are probably even more fields to be mentioned. Within political science – the discipline this work belongs to –, these analyses

already developed a certain degree of maturity having plenty of specific, modified and optimised models available. James Enelow and Melvin Hinich's essay collection *Advances in the Spatial Theory of Voting* (1990) for example allows an insight in the complexity already reached in the late 1980s without even having the powerful and affordable technology academia has these days – including features such as real-time data and artificial intelligence. Despite this progress, this work will go back to the roots and only focus on three pioneers in the field: Harald Hotelling (1929), Arthur Smithies (1941) and Duncan Black (1948).

Albeit their works might seem outdated due to their year of publication, they are exactly what is needed for the sake of second-stage lobbyism: simple math, a maximum of two dimensions, easy to understand models as well as straight-forward approaches. With the second-stage strategy being on the edge of existence itself, consulted models should not complicate it right away. Accordingly, first steps require comprehensibility and the chance to follow. Starting with n-dimensional city block scaling models is not in line with this urge at any point and would actually torpedo the writer's aim to make this concept available and applicable to mentioned interest groups in need.

The following chapters, hence, will also not be a critical review of the models per se but a general 'getting into the subject' of spatial analysis. Comments and adjustments will be made where needed – latest in the development of the spatial components within the second-stage concept – and specific references will be given in case of explicit citations or additional information by other scholars as well as implications or deductions by the author of this work. Beside this, the three works *Stability in Competition* (Hotelling, 1929), *Optimum Location in Spatial Competition* (Smithies, 1941), and *On the Rationale of Group Decision-Making* (Black, 1948) will be the main source of each of the following elaborations; therefore, there will be only an initial reference but no permanently marking of citing them within the text.

3.3.1 Hotelling's Main Street

Having been a famous economist – well-known for his work on micro-economics especially Hotelling's Lemma – Harald Hotelling's (1929) efforts for spatial analyses were based on related motives: He wondered where it would be best for a competitor to geographically locate on a market.

Aiming to make it understandable for every potential reader, he underlines the simplicity of the applied maths and gives intuitive and imaginable examples. Therefore, he first of all designs a market with two competitors – a one-dimensional space which could be a town's main street or a railroad connecting cities. The street, to follow his example, has a length l and each of the two initial competitors A and B has a given fixed position in this market which create an intermediate area of $x + y$ – depending on the allocated price and distribution costs as it will be shown in the following – as well as the two hinterland areas a and b – each defined as the distance from the competitor's spot to the road's end.

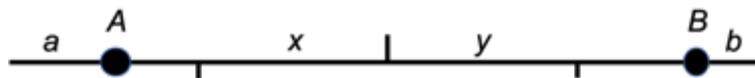


Figure 2: Reproduction of Hotelling's main street model (Hotelling, 1929, p 45)

He assumes the customers to be distributed equally on this space with all of them consuming the offered good constantly at any time in every unit of the street. Thus, he aligns zero demand elasticity, which is far from real-life as demand of a good actually varies constantly – especially for products of daily use – but valid and sound for his model as it is about understanding the basics of spatial analysis and not about the perfect design. He, furthermore, determines product costs to be zero and no consumer preferences to exist – same justification as before. This all allows him to make the consumers' decision only dependent on the combination of a supplier's price p and the universal distribution cost c based on the distance between consumer and supplier.

Accordingly, A has a leeway for price optimisation and thus profit maximisation as long as the price increase does not exceed the transportation costs from A 's to B 's business; same applies to B . This guarantees that both companies to have the hinterlands and thus a safe income to themselves as for instance A 's price would not be low enough to compensate the delivery costs for a consumer living in b . The meeting point of x and y meet is a point of indifference and costumers go for either the one or the other competitors. By finding the optimal price-distance-

combinations there is an equilibrium in which no supplier can increase profit any further by adjusting the price.²⁴

Nonetheless, the equilibrium does not mean that there is no chance of a price-war (offering for suboptimal dumping-prices to gain a bigger share of the market) and trying to push the competitor out of the market. Competitors could also use their quasi-monopoly situation – based on the earlier assumptions, consumers are forced to buy – to go for a price cartel, which might be stable for some time, but is probably always driven and betrayed by one actor's interest to earn more and trick the other. Applying these options nonetheless is in contrast to driving for a market optimum and equilibrium.

Having understood these basics, a free choice of the location can be enabled now. First of all, only valid for one competitor, let say A , this competitor will try to move as close as possible to B aiming to increase the hinterland from a to a^* and thus aiming for the most asymmetric market split possible. At the same time, one cannot move to close as B might lower the own prices to compensate delivery costs and thus invade A 's new hinterland a^* ; accordingly leaving some intermediate land $[A;B]$ can be seen as a cushion to avoid interference in own territory.

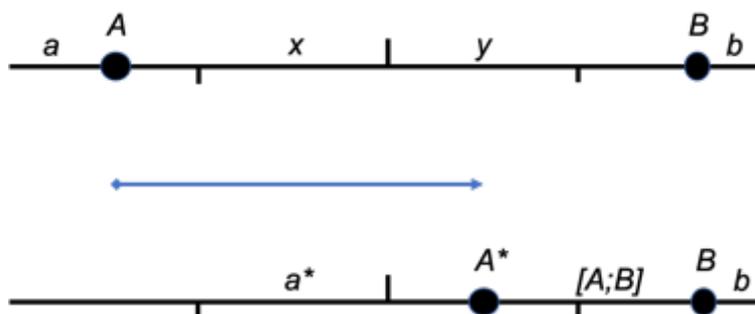


Figure 3: Scenario of Hotelling's main street model with free choice of location for one actor

In case of both being free to settle – and in an extreme case portable on wheels – they will start to locate at more or less the same position as then only the chosen price differs. It is important to notice that this quasi-central allocation is not in favour of the market as consumers at the edges have to deal with high delivery costs of up to over $\frac{1}{2} l$ instead of the optimal quantile-

²⁴ As they are of no actual additional value for the general understanding of spatial analysis and its application with regards to second-stage lobbyism, detailed mathematical and graphical examination of the profit functions as well as their optimisation will not be given in this work, but have to be read up in Hotelling's original paper.

positions resulting in $c \leq \frac{1}{4}l$. Nonetheless, it is the best decision a competitor can go for in case of pure mobility as every move towards a tail would allow the other one to increase the individual market share.

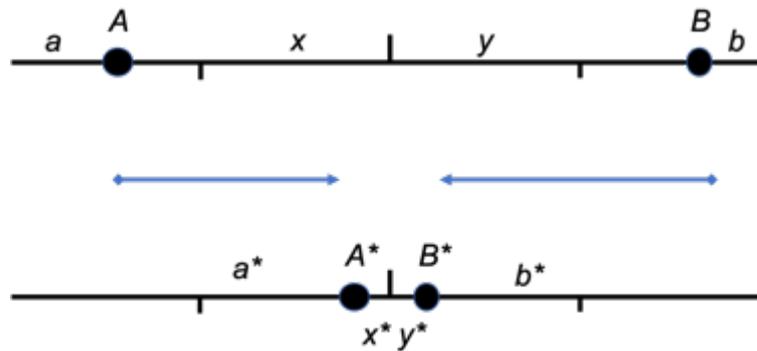


Figure 4: Scenario of Hotelling's main street model with free choice of location for both actors

Every next supplier would settle in a way to be as close as possible to an existing merchant but for sure not between them as it is the least lucrative location (no hinterland but only competition). Thus, there will be a centralist and suboptimal cluster. Thinking Hotelling's thought to an end, only a number of merchants being equal to the market length l would bring equal distribution and optimal transportation costs again. All numbers bigger than l would transform the market into a consumer market, with them to have power and free choice as only price-dumping could bring a supplier any additional market share.

The convincing and charming of Hotelling's simple one-dimensional model is the applicability to any other dimension than actual physical length. He himself brings in the example of cider producers and the dimension of sweetness from extremely sour to extremely sweet, which would result in the same situation as with a physical location: starting with two again, both companies would locate as close as possible on the sweetness scale and thus make their products as similar as possible to keep as many customers as possible attracted. Staying within the food industry, one could think of similar example for refreshments such as cola or fast-food franchises.

Moreover, Hotelling also takes his model to the US-political dimension (left to right wing) realising again an extreme sameness as both main parties, the Democrats and the Republicans, always try to gain for the undecided voters somewhere around the centre instead of the far-edgy

voters on one or the other side as they consider them to be safe with the other party never even trying to strive for them – this will be the base of the later on called ‘median voter theorem’. Taking his ideas to a multi-party system his model would forecast a clumsiness around the centre with no parties on the extremes. Although real-life shows that there are parties distributed all over the scale, not every actor is considered as ‘voteable’ or ‘worth voting for’. An aspect for instance Robert Sugden (1984) and Gary Cox (1990) will have dealt with over six decades later.

Already facing the applicability to real-life situations, Harald Hotelling himself is aware, that his assumptions such as no production costs and no personal consumer preferences, the limitation to a one-dimensional street instead of a two-dimensional town, as well as especially his elimination of demand elasticity have to be discussed in further works. Nevertheless, his aim was to show that spatial models and spatial analysis can help to understand market behaviour and merchant allocation – in real physical markets such as a street, but also any other scale-based market such as the sweetness of a drink or the political agenda of a candidate.

In particular the latter two non-physical applications will be useful for the elaboration of second-stage lobbying as its core will be based on one’s actual position on a market to identify targets, risks and potential triggers. Smithies (1941) view on competition as well as Black’s (1948) work on order preferences will enrich this core feature even further.

3.3.2 Smithies’ Competition

Arthur Smithies (1941) picks up some of the assumptions Hotelling made and modifies them to “analyze not only the forces that tend to bring them [the competitors] together but also those that keep them apart” (p. 423). At first, he introduces demand elasticity - higher prices result in lower demand - which means that moving closer to the centre may cause sacrifices in the own territory at the end of the market, the so-called hinterland. Another major point is the expectation of anticipation: no own adjustment is without a competitor’s reaction and thus it has to be taken into account right away.²⁵

²⁵ As Smithies himself sticks to a descriptive way of presenting his results with referring to his appendix for mathematical insights, this approach is valid for the here available work as well.

Smithies as well designs a one-dimensional market consisting of length l (distance C to D) and two competitors A and B , with A being left to B (Figure 5(a)). Their delivered prices including the actual price for the product – Smithies applies a fixed mill-price wherever the production takes place – as well as the freight rate per unit of distance is expressed in the lines PM and MR for A , as well as RN and NQ for B . The lines CF and DG at each end of the market are the connectors to the second part of his graph illustrating a simple demand function with the comprehensible relation of higher prices p result in lower demand q (Figure 5(b)).

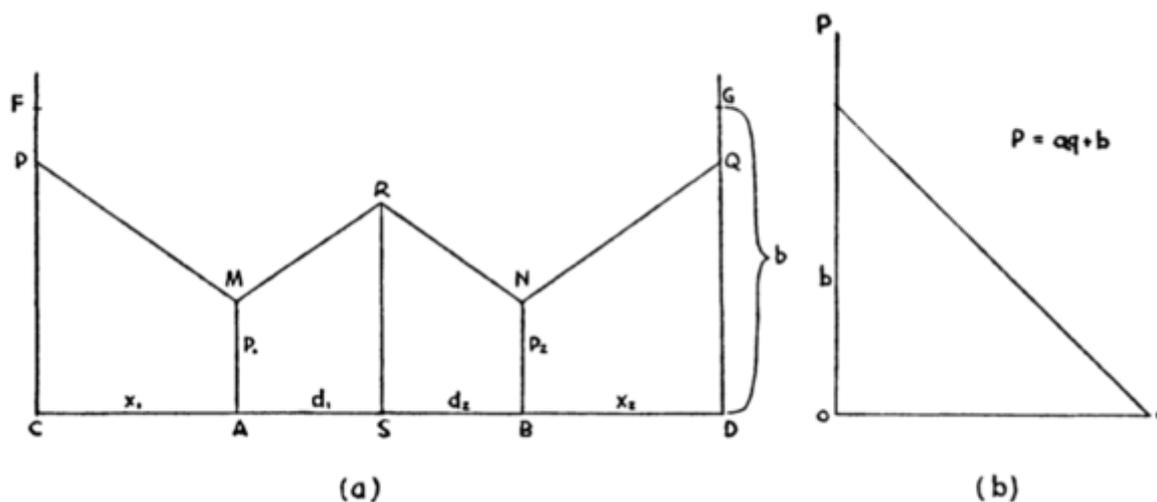


Figure 5: Smithies' combination of main street and price-quantity-model (Smithies, 1941, p 426)

Next to the assumptions described above and expressed in the graphs the following has to be considered for his model as well: the suppliers have to deal with marginal costs, moving is free of charge (unrealistic as he confirms himself but valid for the sake of understanding mechanisms), and competitors aim for profit maximisation.

To understand where a merchant in competition would settle, Smithies starts with a monopolist in such a setup. Assuming a producer to have just one factory one would settle in the centre of the market to be as close as possible to every consumer and trying to avoid unacceptable prices at the edges. In case of two plants one would settle at the quantiles due to the same reason and thus offer a market-optimal situation. Turning these two plants into two competitors changes the situation in so far as both want to widen their safe hinterland CA and BD , as well as enlarging their share of the competitive intermediate area ASB . In case one expects every change in the mill-price to be counteracted by the same price change, there is no chance to occupy any further part of the market as it would be an endless back and forth. Vice versa assuming a change only

in location might be risky as well as the gained part in the competitive area might cause losses in the hinterland due to higher delivered prices in combination with the existing demand elasticity. A full competition in price and location, hence, may result in a tendency moving towards the centre. Nonetheless, freight costs will prevent the market from complete centralisation as the losses at the tails might be too extreme.

What is worth further consideration for the concept of second-stage lobbying? Firstly, every action causes a reaction: any position change on the market may cause a competitor's reaction to be considered – here, as it will be shown later on, reallocation costs are a decisive feature to include; an important change in comparison to Smithies' work. Secondly, a tendency towards the centre is stronger the more inelastic the demand is as the combination of Smithies and Hotelling shows. Rising elasticity will require sacrifices in the hinterland once the population's pain barrier has been reached. Thirdly, as Hotelling mentioned already, any further competitor will settle at the more profitable hinterland: in a simple one-dimensional model that is the area where $CA \geq BD$ or vice versa. Thus, centralising too much may open up the market for new competitors – in case the system allows it²⁶.

3.3.3 Black's Order of Preferences

In contrast to Hotelling and Smithies, Duncan Black (1948) is transferring his setup from a physical market to the decisions of a committee. Therefore, he assigns one axis to motions as he neutrally says, which could represent everything to vote on from a candidate to the price for a product, a tax to be settled, a physical location or – and this will be useful for second-stage lobbying – a group's agenda concerning a matter. The second axis and thus a second dimension is representing preferences over the different motions of choice. Accordingly, his setup is a two-dimensional space including alternatives and people's opinion on them – a step of great value within spatial analysis and of importance for the within this work developed concept.

²⁶ Although officially there are other parties competing as well, the US-American election system is for instance a two-party system of Democrats and Republicans. The whole setup and treating of further players by media as well as public make them in a way 'not worth voting' and thus to a certain degree non-existent. Again, a point Robert Sugden (1984) and Gary Cox (1990) picked up.

The figure below is showing committee member A 's order of preferences over the motions of a_1 to a_4 , which results in a preference curve²⁷ of member A . In this case a single-peaked graph for this member with the highest point to be the most-preferred and thus optimal motion. With a rising number of motions to decide on, this single-peaked graph would actually turn more and more into a \cap -shaped curve with the motions to the left or right of the peak being less attractive to the member; although it is unrealistic for one to have preferences over an infinite number of motions it can be assumed that the points between to actually ranked choices are on the connection line between these alternatives.

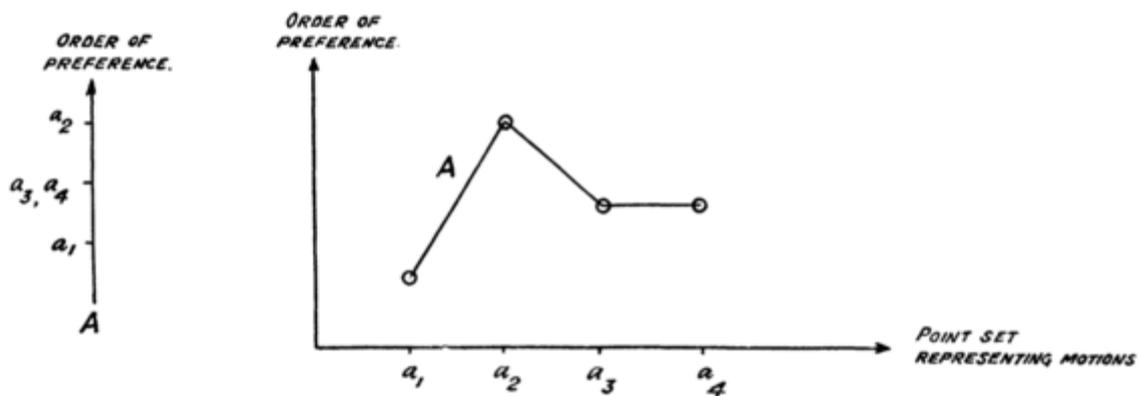


Figure 6: Black's order of preferences over motions (Black, 1948, p 24)

Single-peaks are especially the case for decisions like a specific price, employees' wages, the age to leave school or the legal age. Nonetheless, it could be of any form and shape: truncated if the member is indifferent of a number of motions which are quite close to each other; double-peaked for instance when a city offers two interesting shopping locations, but the streets in between seem to be less attractive; \cup -shaped if for example one prefers either proper investment or no investment in a location at all as every amount in between is a waste of money in one's eyes; also, it could be a straight diagonal line from one corner to the other in case of members with extreme attitudes.²⁸

²⁷ As Black states correctly, first of all this would result in four unconnected points, but not a curve or function. For the sake of better illustration and understanding he decided to go for straight lines as connectors to help the eye.

²⁸ The example of a truncated curve is actually given by Black. All further elaborations are additional illustrations by the author of this work to give the reader some more examples for better understanding.

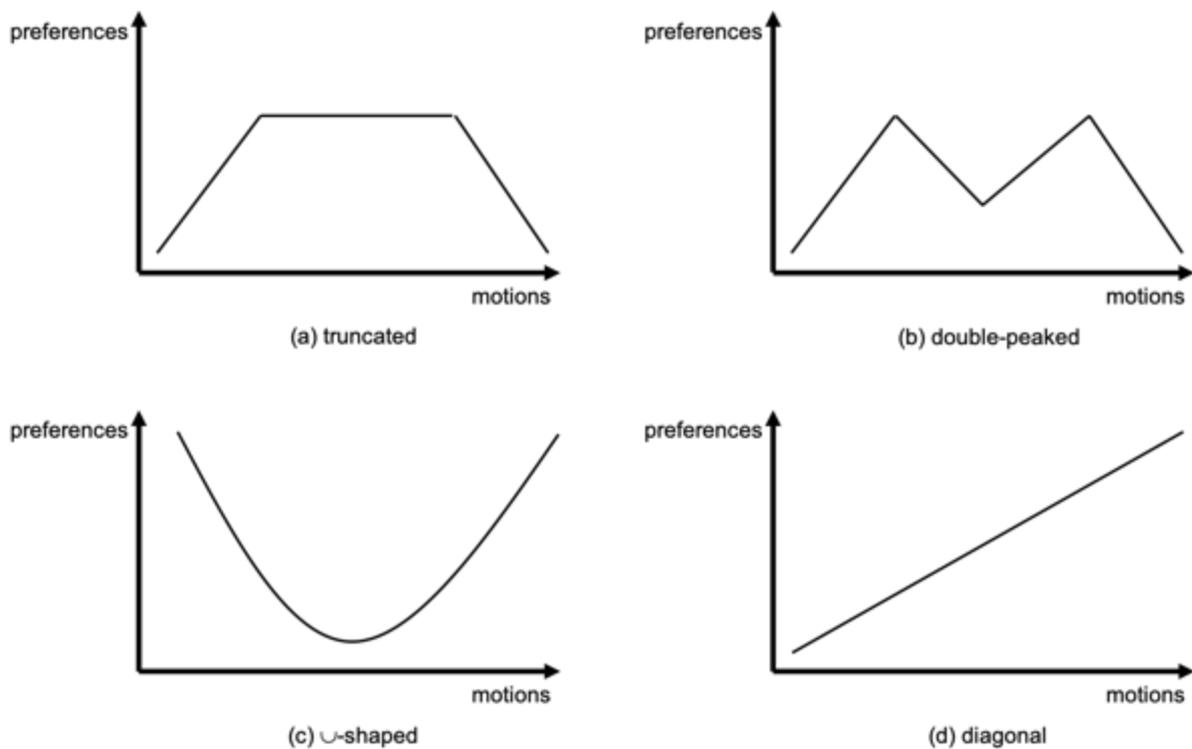


Figure 7: Excerpt of possible order-preference-scenarios

In the remainder of his work Black focuses on single-peaked curves to develop his model of group decision making and the related rationality and presentation in a special way valid for any topic representable by means of voting. His way of elaboration includes the similarity of demand and supply functions in economics which he also sees as a great advantage of his theory: “We could move from the one science to the other with the alteration of a single definition” (Black, 1948, p. 34)

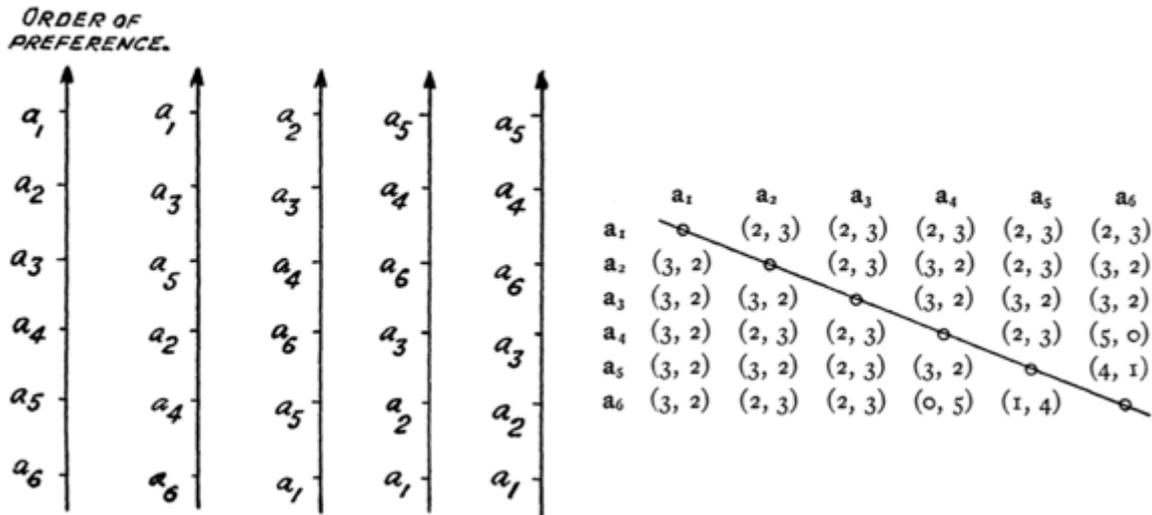


Figure 8: Matrix presentation of all members' preferences over motions (Black, 1948, p 33)

Although he presents the summary of the members' preferences only in a matrix form, there would be possibilities to do this in a graph as well. Hypothetically letting vote all members one option against the other (for instance a_1 against a_2 , a_1 against a_3 and so on), the following graph could be signed based on the wins²⁹: a_3 five times superior, a_5 four times, a_2 three times, a_4 two times, a_6 one time, and a_1 zero times.

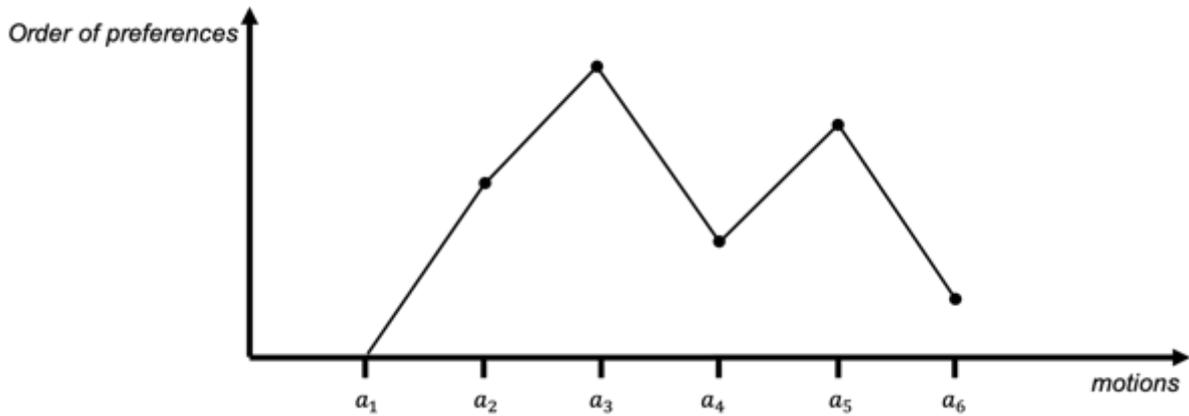


Figure 9: Graphical presentation of all members' preferences over motions

²⁹ The decision to create this graph based on absolute wins is just one out of a lot of options as it is based on a majority vote. It is not taking the whole picture and interrelations into account but only focusing on the actual final vote. A matter also Black himself already mentions to be a game changer and a setup modification to follow up. One scholar focusing on such research is Donald Saari (2001, 2008) whose work will be considered at least a bit more in detail when designing the second-stage concept.

Such a way of presentation is an important step for second-stage lobbying; an approach with one dimension to be the motion to decide on and the other one to be the overall population's preferences on the matter.

3.3.4 The Pioneers' Inheritance and Followers

As mentioned in the beginning of this chapter spatial analysis based on Hotelling's paper from 1929 have developed in a magnitude of directions with astonishing outcomes in basically all applied disciplines. While Smithies was still dealing with the general optimal position, Black already put a focus on a committee's decision-making process and thus in a wider sense on voting – nonetheless, also Black confirms the similarity to price and volume decisions in economy.

Within voting theory, a variety of well-known scholars such as James Enelow, Melvin Hinich, Kenneth Arrow, William Riker, and Donald Wittman dedicated their research to Black's first specialisation. Despite all their achievements this work will only consult the very basic ideas of spatial analysis in decision-making and voting as it is sufficient for now and for the very beginning of a concept.

With regards to the scholars mentioned above and thus 'followers' of Hotelling, Smithies and Black, only two ideas should be considered in some more detail without guaranteeing to represent the models in all their complexity: William Riker's concept of 'heresthetic' as well as Sugden and Cox' views on 'candidates not worth to be voted'. This is the case as Riker's approach will help to choose the dimension to apply second-stage lobbying in; the latter will help to pick a proper lobbying target. Both matters have already been referred to in the elaborations above.

Heresthetic aims for incentivising in the 'language of the counterpart' instead of the own mindset. When talking to a company this means presenting economic results and possible chances in the market instead of appealing for moral standards; for celebrities and athletes it might be reputation. Vice versa, a non-profit organisation should not be addressed in profit related terms. Although the agenda and the aim remain the same, it is necessary to rephrase the own goals counterpart- and target group-specifically (Riker, 1986; 1988; 1990). To understand

this, it is easiest to make an example: Here, the multi-goods company and food producer Nestlé will be used for the first time. Its consultancy will be of further usage in the following chapters due to the cooperation's currently critical perception in public (e.g. Shimo, 2018).

Applying rhetoric in a spatial understanding would mean to convince Nestlé moving from its current location on a spatial model on human rights to a new location closer to 1 only by showing their own location and challenging their morals by saying 'Look, this is where you are right now and human beings, especially the locals and indigenous people, are suffering from your current production processes and your ignorance of their needs. Wouldn't it be better to change that and let them suffer less by giving them a fair share of their water on their lands for free and by pumping less groundwater so that they can continue farming, planting, etc.? Isn't that their right as they were there first?' This approach does only focus on the one dimension of human rights and their violation through Nestlé combined with the hope that uncovering this moral shortfall will change the company's agenda. It would mean conviction by showing to be wrong. No mentioning of customers and possible boycotts, profits, legal costs or marketing chances.

Heresthetic in contrast is doing exactly that. Using a dimension, the counterpart understands and especially cares about. The argumentation could be the following: 'Right now your way of production is suboptimal for the local population as you take away too much groundwater which means they can't farm anymore and often do not even have clean drinking water. This nowadays raises a lot of attention in western media and first supermarkets started to boycott your products with more to follow soon. Surveys show that the trend is going to more reflected and more interested consumers who make politically-motivated decisions on a small scale at the counter by not buying a burdened product. Your product. Instead they go for a cleaner and greener alternative for a similar price. This means you will lose customers on a daily basis and in the long-run hundreds of thousands of them. Considering the costs of for example just sharing x cubic litres with the locals for free would cost you a fraction of the actual loss you will make when continuing like now. Here are some simple calculations.'

Although the results might be the same (improving the situation of the local native communities) the one decision is made by heart – an emotion-based rational decision –, the other by a profit-based rational decision. The mechanism of the former is presenting the

currently morally wrong behaviour and appealing to one's humanity. The latter works by utilising pure maths and by applying Olson's idea of incentivisation such as less loss or in the best way even more profit. It is essential for the remainder of the work, but also for understanding of lobbying as a spatial act in general that rhetoric is only working if lobbyist and lobby target have the same intrinsic motivation. Heresthetic in contrast is applied when one is aware that rhetoric will not succeed, and a more complex incentive system is required. The latter will be the standard case for second-stage lobbyism and thus more important for its development as it will be shown.

In contrast to Hotelling's, Smithies' and Black's basic assumption of a consumer deciding for the closest or price-optimal merchant and candidate, respectively in the case of elections, Robert Sugden (1984) and Gary Cox (1990) point out, that this statement is only valid in case a candidate is an actual promising one with a chance to win and push legislation. Both independently explain in the following way: As the average voter actually wants to see political change and not only make a political statement, one might consider giving one's vote to a candidate who is spatially further away from the own opinion as long as this politician will bring some alternation of the status quo. This will only be the case when expecting the originally preferred candidate to be hopeless with regards to for instance entering the parliament or running for a position.

This implies a strategic voter having expected values on potential candidates. Thus, skipping the closest option thus would not be irrational, but rather rational as it might minimise the risk of a worst-case scenario. Taking the de-facto two-party system in the United States of America, a per se Green Party voter may not vote green, but for the Democrats to keep the chance of a Republican incumbent; vice versa, a Tea-Party voter may do the same with the Republicans to avoid a Democrat coming into power. The decision to be made, hence, may alter when including probabilities and the possibility of total failure. This is in line with game theory including Condorcet voting as it will be shown in the next chapter. Moreover, although his concepts are more complex, Donald Saari (2001; 2008) shows broadly speaking, that not only first choices matter, but that second, third, and further ranked ones can be decisive as well: Here, the closest and thus first alternative might not be worth considering, but the second or even third one is potentially the one being relevant for the election results.

Applying this to second-stage lobbying, it means that the closest and in the first glance best lobbying target might actually not be the most promising one, but other may be more helpful for achieving one's goals. Spatial models can help to identify such a game-changing setup.

3.4 Basics of Game Theory

Just as Elinor Ostrom (1990) did in her book *Governing the commons*, the aim here is to give a short, but comprehensible introduction to game theory and how it can be used to present social dilemmas, but also potential scenarios and thus possibly solutions for such dilemmas.

The basic idea of game theory is to transform real life situations into a game setup including as much information as possible with regards to the number of involved players, their cost and utility functions, as well as their strategies and the sequence of the game, meaning who decides when. If all possible information is given and known to all players, the setup is labelled a complete and a perfect game; alternatively, if some players are not aware of all circumstances a setup might be incomplete and/or imperfect. In case one does for instance know the structure of the game but not the other ones' options the information is said to be imperfect – this feature is given for a majority of card games as one's hand is not visible to all. In contrast, there is also the chance of an incomplete setup which indicates that one does for example not even know the rules or how many players are involved in the game at all. (In)completeness and (im)perfection can occur in all possible combinations. (Aliprantis & Chakrabarti, 1998)

Assuming a simple game of complete but imperfect information, there might be two actors A and B who can either cooperate (strategy c) or defect (strategy d) which will bring them 10 units each in case they both cooperate, 0 units in case both defect, or 11 units for one player and -1 units for the other player in case of deviating decisions of the two actors. Both decide simultaneously³⁰ and thus cannot await the other one's choice. Any form of communication or upfront-agreement is not permitted.

³⁰ An easy and well-known example of a simultaneous game is rock-paper-scissor as all decide at the same time, while check is a good representative for a sequential game as one goes after another.

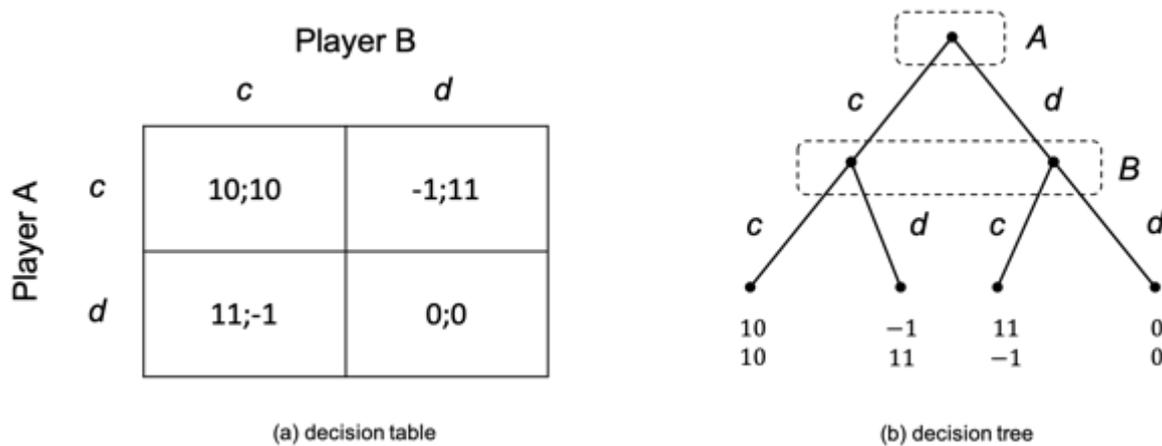


Figure 10: Graphical presentation of a Prisoner's Dilemma Setup

The decision table (Figure 10 (a)) as well as the decision tree (Figure 10 (b)) are two common ways to present such a setup graphically. In the table A 's decisions are on the left, B 's on the top, with A 's outcome to be the first, B 's to be the second listed. In the decision tree, every decision node belongs to a player which can be indicated by assigning the player's mark (here A or B). In case of a sequential game being closer to the starting point would indicate the order of playing. Nonetheless, in a simultaneous setup this feature is not given as all players decide at the same time; to indicate this, but also imperfect information, a dotted line connecting the nodes within the decision set or circle surrounding all nodes will be drawn. The results will be given at the end of each branch with the first named outcome being the one of the first acting player. (Aliprantis & Chakrabarti, 1998)

The described situation, similar also applied by Ostrom (1990), is one of the most famous setups, if not even the most famous, within game theory and named the *Prisoner's Dilemma* (PD). Due to its characteristics it is an allegory for a multitude of social dilemmas society currently deals with as the rational decision on a society level is not in line with the rational decision on a personal level. It requires both actors to cooperate for a best possible overall outcome ($10 + 10 = 20$) but it is more attractive on a personal level to go for a defective strategy as one might receive 11 units in case of the other one cooperating or at least will not lose anything in case the other one defects as well. Nonetheless, this means a total outcome of 10 units ($11 - 1 = 10$) or 0 units ($0 + 0 = 0$), which is both inferior to the possible 20 units, but still strategy d is dominant for both individuals as they will go for it however the other on decides.

The compatibility and consideration of various game theoretical features such as (im)perfect or (in)complete information, simultaneity or sequence, dominant or mixed strategies, optimal or inferior solutions and so on and so forth, allow academia to recreate nearly every real-life situation and simulate possible scenarios. Heckathorn (1996, 1998) for instance gives detailed examinations of other well-known and for second-stage lobbyist worth-studying types of social dilemmas such as the *Chicken Game* (CG), the *Assurance Game* (AG), the *Altruist's Dilemma* (AD) and the *Privileged Game* (PG). In comparison with the PD, those setups include various characteristics of human beings and social groups which influence the decision-making process such as fear and reputation (CG, AG), utility out of helping others (AD) or excessive personal interest which justifies the decision to bear all costs (PG).

While 'acting rationally' was originally defined in game theory as acting selfishly – especially with regards to materialistic surplus – the acceptance of non-material incentives such as solidarity and purpose allowed to understand social setups better and transform them into usable game theoretical models as well (Fehr & Schmidt, 1999; Oliver, 2015). Also risk attitudes (e.g. Holt & Laury, 2002) and prospects based on personal experiences or uncertainty (e.g. Tversky & Kahnemann, 1992; De Palma et al., 2014) are nowadays considered by game theorists. Beside qualitative researchers' urge to include such aspects, those achievements can also be assigned to experimental methods. Applications were able to prove based on data and repetition, that individuals do not always act like predicted as there is by far more than only financial or material surplus which shapes utility (e.g. Goeree & Holt, 2001).

Despite all those accomplishments, a model will never be able to cover all possible cases and scenarios. For this, human kind is too diverse and trying to consider everything would turn a generic model into a specific case study which could solely be utilised once and in only one particular situation. This should never be the goal of a game theoretical model. It should rather be a framework and a guideline. A tool that can help to make decisions, forecasts, and projections. A tool, which allows governments, businesses and interest groups – narrow as well as public ones – to plan.

With regards to second-stage lobbyism it is definitely worth introducing game theory and its covering features. Illustrating the status quo and future scenarios in a decision tree – in

comparison to a table it is easier and more intuitive the more players are involved – may allow the lobbyist to make own decisions but also show the target where it might end up when listening or not listening to its counterpart. Within the concept of second-stage lobbyism game theory is not a competing but a complementary method to the earlier introduced spatial analysis as it enables to present all possible outcomes at a glance, in one comprehensive decision template.

Although it brings additional value, game theory will not be the focus of the present elaboration but play a side role which allows better understanding and insights in further possible directions of second-stage lobbyism. Nevertheless, its potentials will be indicated when developing the spatial analysis-based concept.

4 Second-stage Lobbyism

Despite its potentials, there is barely any academic attention for the concept of second-stage lobbying so far. There are some works on networks, strong and weak ties as well as collaboration of interest groups (Granovetter, 1983; Hall, 1999; Webster, 2000; Scholz, Berardo, & Kile, 2008), and also a number of scholars (Weir, 1995; Shaiko, 1998; Elgström & Jönssön, 2004; Woll, 2006; 2008; Urban, 2012; Karol, 2015) who dealt with the phenomenon of ‘reverse lobbying’, a specific form of second-stage lobbying “wherein “the roles of predator and prey are flipped”” (Shaiko, 1998, p 256)³¹, on a practical level. Nonetheless, there are so far no works, which take the well-directed manipulation of one interest group by another into account and pay full attention to that idea.

Thus, this dissertation is a first step towards a better understanding of second-stage lobbying and its theoretical basics. It will include the elaboration of the actual need, its basic ideas and mechanisms as well as the findings of potential lobbying targets in a two-step approach of standardisation and spatial analysis. Connected with the two latter, the chances and risks for the lobbied as well as the lobbying will be shown.

4.1 The Need

Reflecting the situation of especially public interest groups described at the beginning of this work, it is important to ask, which measures, or policy could actually bring the needed public and political spotlight to currently underrepresented topics such as global warming, the rising antimicrobial resistance, women’s or LGBTIQ rights. Moreover, to overcome their critical mass and make them matters people contribute to. This is even more relevant as some actions might be nice embellishments or scratches on the surface but are without a significant effect or causality. First, the four different levels of inequality within lobbying – budget, mobilisation, responsiveness, and underrepresentation – are consequently also the four leverages worth to consider for a solution. Nonetheless, as it will be shown within this subchapter, they will fail the requirements and other strategies are needed.

³¹ More details will be given in the accordingly-named chapter 5.

(1) Budget

As described in detail, a majority of diffuse interest groups lack budget and often have to compete with similar organisations for attention and sometimes even survival. Thus, as in other areas such as education or health care, redistribution of financial resources could be a solution to reduce inequality and give every interest group the chance to promote its topic. Nonetheless, next to a series of basic practical issues with regards to the collection and distribution of resources³², a much simpler thought may reduce this suggestion already to absurdity: If a government is capable and/or willing to pass a policy which aims for inequality elimination by redistribution, why is it not capable and/or willing to face the by those groups lobbied topics directly in the first place?

(2) Mobilisation

Pending on the type of interest group and the chosen lobby strategy a high number of members and the capability to mobilise them by the application of selective incentives might be sufficient to absorb or even balance out the missing financial resources and allow efficient lobbying. Contrary to religious groups or unions, interest groups with public agendas are again disadvantaged in this aspect as they cannot count on group identity due to the range and thus generality of their topics, the related missing possibility to offer significant personal returns on investments as well as the lack of selective incentives. The latter is particularly caused by the current underrepresentation and insignificance: If the percentage part of a population contributing to a group is too small, there is no presence of social pressure to participate as well (negative incentive) – if participating would be the standard then non-participation would make one a misfit –, and thus there is also no need for companies for instance to offer discounts for members (positive incentives) as it would not bring the required revenues. Accordingly, one should wonder if and how a government could intervene here.

³² As shown before the label ‘interest groups’ covers a variety of different organisation and movement types including grassroot-movements and sudden protests as well as business organisations and unions. Already from an entity point of view it is hard to define, who actually is applicable to participate in such a redistribution. Next to applicability also eligibility would have to be considered: Is a lack of money – how is this defined – already enough or is it necessary to fulfil specific requirements which proof that the group’s interest is e.g. favourable for society? Additionally, is it anyhow in line with existing law to impose a tax on donations or support of political bodies? If so, what would be the threshold for such an action?

Any governmental attempt to enforce memberships and assign people to specific groups is a violation of the human right to freedom of expression and information and as such out of discussion. Nonetheless, there are possibilities such as investments in (political) education and the introduction of unconditional basic income, which can help to create awareness and liberate a citizen from financial constraints which may have contributed to her political inactivity and her absence of interest group memberships.

Naturally, people first of all reflect and are most interested in what they deal with on a daily basis and have information on: A father is concerned about the education of his child, elderly about their pension, young adults about job opportunities and starting salaries. But barely anyone directly deals with the results of global warming – yet, at least. So, what one never heard of or experienced, cannot anyhow be considered when making decisions. Accordingly, putting higher educational focus on for example the global warming by introducing mandatory courses from for instance secondary school to university³³, everybody would at least have to think of this topic; thus, awareness would be created, but still the resulting action would be, as always, an individual one.

Additional budget in form of a basic income would allow more personal leeway and ensures that there are financial resources for activities above the basic needs such as food and housing. Nevertheless, the usage of this money again depends on each individual and the personal attitudes towards complex topics influenced by daily experiences and shaped by the passed education; political participation is thus only one of a multitude of those potential investments.

And indeed, a number of scholars such as Goetz (2003), Schlozmann et al. (2012), Szewczyk (2015) and McCarty (2018) underline, that a higher level of education as well as higher income result in more political participation – may it be voting, contribution to campaigns or any form of lobbying. Nevertheless, the pure rise in participation does not anyhow guarantee a higher support of currently underrepresented topics or unequally treated interest groups. The trickle-down-logic that a general upswing of political activity automatically and specifically results in a proportional or even over-proportional higher stake for public matters remains as not more than a desirable, but unconfirmed hope.

³³ The existing related budget constraints will be ignored for the cause of this train of thought.

(3) Responsiveness

Both in the United States as well as the European Union there is a high responsiveness of politicians to rich (Olson, 1965; Gilens, 2005), powerful, and international interest groups (Eising, 2007; Woll, 2006; 2008). Although the specific reason for each tendency differs, both can be found in the established political setup.

For the US, the firm anchorage of self-funded candidate campaigns combined with weak party agenda loyalty enable interest groups to intervene significantly: As every candidate is interested in sound and promising election campaigns, contributions to finance them are more than welcome. Knowing the groups' goals, the politician is also aware of the connected expectations. Additionally, only having two actual parties, the candidate is probably always in line with the party ideology as it comprises every point of view from centre to far left for the Democrats, and to far right respectively for the Republicans. Thus, an incumbent can align the own agenda or at least the priority within the agenda quite easily without disrespecting the party framework.

Within the EU-system, union-wide decisions need to be agreed upon by the European Parliament as well as every member state – in form of the European Council and in form of ratification. As a result of this, there are in total two veto points with 29 veto players (the 28 member states and the parliament itself) out of which all have to ratify the bill to validate it. To ensure a smooth procedure the European Commission (EC) needs national consent which often depends on the lobbying activities of national industries. Knowing this, the affected businesses are aware of their power and thus can use this leverage to push their ideas. Cornelia Woll (2006; 2008) and Van den Hoven (2002) describe the interaction between the EC and the interest groups as a give-and-take of favours and support³⁴.

Accordingly, constitutional changes would be needed to loosen the current tight strings and create a situation of less dependency. In the US-American case this could mean a central fund for all financial support of interest groups and a transparent redistribution based on a party-

³⁴ The influence taking of the European Commission on the lobbying activities of local interest groups is labelled as 'Reverse Lobbying'. A more detailed examination of this phenomenon will be given in chapter 5.

wide or even nation-wide accepted distribution ratio³⁵. This would create more equal chances to all candidates and make their campaigns less dependent on interest group contributions and thus their responsiveness should be less skewed towards the incoming money as there is less need to. Critics may say, that the overall contributions will decline as people will not be able anymore to assign their money to their favourite candidate, but this would affect every candidate the same way under the potential new regulation and thus be no reason to drop the proposal. The more important question is, if profiteers of the current framework would be willing to agree on such a change.

A similar question arises for the situation in Europe. A possibility to reduce the influence of national interest groups would be to reduce the power of national governments by introducing majority votes on the EU or even assign all power in specific topics for instance the military to a European level. Thus, there would actually be no need to lobby on multiple levels any more as no decision could be made by a single player. Nevertheless, why should any beneficiary of this system, national interest groups as well as parliaments, be interested in giving up their power?

Stepan and Linz (2011) actually state that there is barely a chance to agree on such changes. Even if all possible veto players such as presidents and chambers are in the hand of one party or coalition this is hard to achieve as not even everybody within this group would be fine with giving up personal power and advantages. One currently for instance receiving significant financial support by interest groups would lose a better starting point within an election race and thus probably vote against corrections of the system. Those interest groups as well would try everything to prevent such adjustments. Thus, keeping the current responsiveness to the rich and powerful in mind, there is not just one, but actually several levels for possible lobbyists' interference against such a change. Although the success of such a policy proposal is not impossible, it requires a proper lead time, preparation down to the last item, the collaboration of all involved forces and finally as well some level of serendipity.

³⁵ For instance, years in incumbent, size of the state, size of the electorate and personal financial situation could be factors to consider.

(4) Underrepresentation

Reviewing the three potential leverages described above, there is a lack of appropriate policy proposals – and if there is not, such proposals are only attainable in the very long run connected with high complexity –, and barely a chance for interest groups to become richer or more powerful nor to create selective incentives out of sudden. Nonetheless, the question remains, if a public interest group can push a specific, at this time underrepresented topic, permanently into the focus of political as well as public discussions and evoke actual changes. As the above portrayed implies, the answer for their present strategies is clearly ‘no’.

But so, one could actually ask, why bother at all about topics which do not attract sufficient public attention. If it does not get appropriate support, it does not seem to be important enough and thus not worth a further thought. Considering a free market, the rules of demand and supply would apply and a company which cannot fulfil the customers’ needs would disappear automatically. Thus, why behave differently in the case of such matters?

Independent from any moral thoughts such as ‘respecting each other’ and the responsibility for society as well as other species, there is a definite need to consider peoples’ interests; and not just the ones with top priority but their whole agenda as otherwise important information on preferences will be lost and as a consequence only a distorted picture remains (Saari 2001; 2008). The following table will illustrate such a situation.

	<i>Voter 1</i>	<i>Voter 2</i>	<i>Voter 3</i>	<i>Voter 4</i>	<i>Voter 5</i>	<i>Voter 6</i>
<i>Interest 1</i>	Employment	Infrastructure	Infrastructure	Employment	Environment	Health Care
<i>Interest 2</i>	Education	Health Care	Health Care	Security	Education	Environment
<i>Interest 3</i>	Environment	Environment	Education	Health Care	Health Care	Employment
<i>Interest 4</i>	Health Care	Security	Environment	Education	Employment	Security
<i>Interest 5</i>	Security	Employment	Security	Infrastructure	Infrastructure	Infrastructure
<i>Interest 6</i>	Infrastructure	Education	Employment	Environment	Security	Education

Table 1: Exemplary overview of voter preferences on various matters

Based on the applied voting system within a country and the available candidates, every example voter's (*Voter 1* to *5*) opinion on for instance the environment could be considered not at all, partially or completely, which can lead to so called voting paradoxes (Nurmi, 1998). In a race of candidates who do not even have environmental issues on their agenda, it would already be ignored completely in the first place. Thus, although it is in the top three for a majority of voters (1x1st, 1x2nd, 2x3rd, 1x4th, 1x6th), there would not even be the chance to make a pro-environment decision and they would have to make a best response on the given circumstances. Pending additionally on the voting agenda – the order what will be discussed first, second, etc. – environment could be a winning topic or a loser of the first round.

Considering the voters of Table 1 to be a committee deciding by always voting only one matter against another with the winner going to the next round, the moment and setup a matter to enter the ballot is essential for its success. Based on the given information environment for instance can win in a non-strategic direct vote against security and employment, end up in a draw against infrastructure and education, but lose against health care. Supporters of the environment such as *Voter 5*, hence, would like the matter to compete at the end against security or employment and try to influence the voting agenda accordingly. Alternatively, the committee members could start to vote strategically to enable better end results.³⁶

Something similar occurs, when thinking of people's decision to spend money or time in presence of budget restrictions; for the sake of simplification, imagine one has only sufficient resources to invest in two activities after having worked and paid all bills for housing and food. Even in the rare case, that environment would be on the third position for every person, nobody would ever spend money for it, although it seems to be very important in the overall comparison. In this case it is the constraint which transforms the third- and lower-ranked interests into irrelevant ones. Accordingly, other external conditions could lead to a completely different outcome.

³⁶ The variety and complexity of theories and concepts on agenda-setting and strategic voting exceed the limits of this work by far. The French philosopher and mathematician Nicolas de Condorcet (1743-1794) was one of the pioneers in this field with his findings such as the 'Condorcet Paradox' still shaping today's research. (see e.g. Mueller, 2003)

Recalling the potentials and risks of investments in basic income and education as given in chapter two, awareness for a topic and more financial leeway can lead to more contribution to currently underrepresented, but not irrelevant topics such as the environment or equal human rights. This general assumption is also confirmed by the World Values Survey (2018):

Considering their general findings and results on worldwide questionnaire data since 1981 until today, two main effects can be identified when economic and physical security, so called survival values, are guaranteed: Firstly, a shift from traditional to secular-rational values, which implies less importance to religion and patriarchal family structures combined with rising tolerance towards euthanasia, divorce, and abortion. Secondly, a desire of and acceptance for self-expression arises including sexual freedom, interest in other cultures, will to participate in political decision-making processes and the contribution to environmental protection.³⁷ The World Values Survey-results on abortion, homosexuality, and prostitution will be consulted in the face of second-stage lobbyism to prove the assumed changes of societies' preferences – an essential element for a successful application of the concept.

Again, as with constitutional changes, the achievement of such a setup of peace, social and financial security, as well as tolerance towards everybody is a multi-stage and multidimensional challenge, which also is constantly under threat by authoritarian movements, personal greed and ignorant ideologies (Inglehart, 2018). Although education and basic income seem to be promising approaches to get one step closer to this maybe utopic world, it is the general surrounding which will influence the results of such activities lasting. Thinking of German history, there were significant investments in education and science after World War I, but its only aim was 'extinction of the unworthy' and its findings were achieved by human experiments on the cost of minorities such as Jews and Sinti and Roma, as well as political enemies and prisoners of war. Thus, it is not only the investment itself but the general mindset of the society which has to be considered – a complexity which is too much for a single policy.

To overcome this situation of stagnation and dependency on surrounding factors as well as the goodwill of politicians, interest groups have to start empowering themselves by new measures

³⁷ Similar was already shown in Abraham Maslow's *A Theory of Human Motivation* (1943) and the related well-known hierarchy of needs: Once physical and economic safety is given human beings are striving for self-actualisation with all its aspects of personal freedom and expression.

and play, if needed, a game exploiting all the possibilities the legal and economic framework allows – especially, as their competitors do so as well. Thus, instead of strictly sticking to the existing, but not finally successful first-stage lobbying of politicians, new approaches should be considered. Here, the promising and influential position of other interest groups – especially with narrow topics – might be useful to promote the own agenda. It is furthermore essential to gain a new understanding of the own potentials and how to make advantage of them. Accordingly, by widening the own repertory with the such aspects respecting concept of second-stage lobbying, the current level of inequality in lobbying can actually be diminished while paying relatively similar costs as now.

Although, it is not a direct approach to change the framing status quo, it is one to set a fundament for upcoming political and socio-economic changes and a booster of such activities, financed on the side by the ones who actually may want to prevent them. As new standards will be set ‘incidentally’, society will adopt these standards as new lowest bar and upcoming generations will ask for more – just as smartphones are not anything special anymore today.

4.2 The Basic Idea

The idea of second-stage lobbying is very simple and straightforward: influence the influencer. Instead of competing with powerful interest groups *IG* for the attention and responsiveness of politicians and decision makers *P* (first stage), the available resources will be used to affect an influential first-stage lobbyist, hereinafter also referred to as ‘target’, and thus her future way to lobby (second stage). Once the own thoughts are successfully inoculated, the power and influence of this actor work as catalysts. Here, the additional resources of the lobbied have a leverage effect, which could not have been achieved with the own invested money and effort.

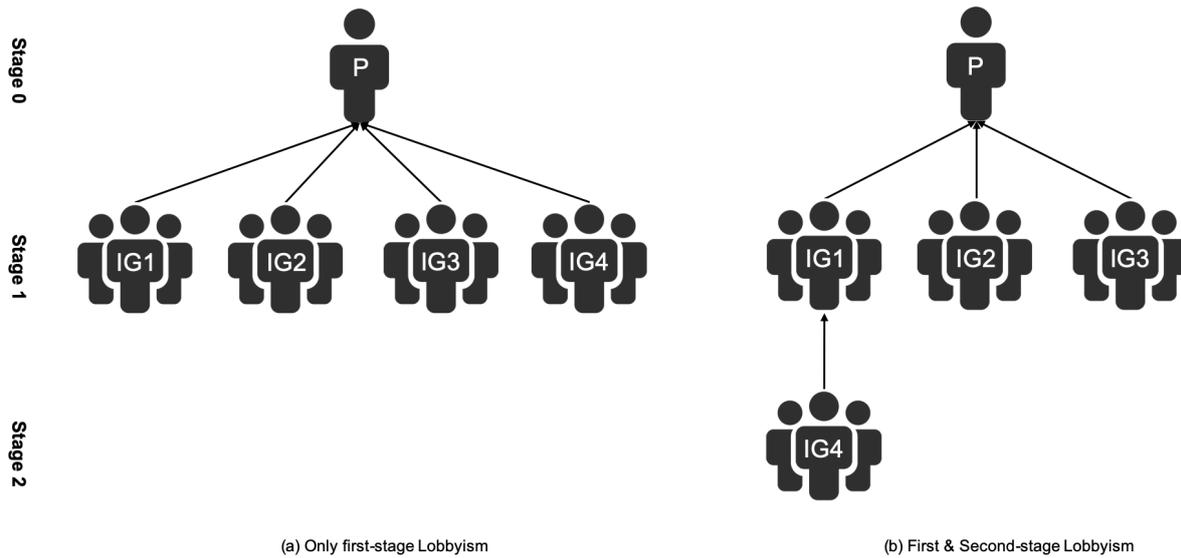


Figure 11: Graphical comparison of First- and Second-stage Lobbyism

As described by Pamela Oliver (2015) as with every strategy, there is no such thing as a one-fits-all method. Second-stage lobbying requires a good understanding of the overall setup as well as the own situation within this framework: Certainly with regards to the competitors in the field, as a strong own status-quo position may not require an intense application of new strategies; in some cases, this could even be counterproductive as the reallocation of budget from the first- to the second-stage could harm the own position. In contrast, a weak first-stage position barely gives any reason to stick to the methods in place. Thus, more or less every new approach would be beneficial. Secondly, an interest group has to realise its own potentials; may it be through number of members, potential members, the represented group of people or the existing networks and contacts. Such characteristics are values which can be used whenever bargaining and striving for a better deal as the example of the American Association of Retired Persons shows.

A general advantage of second- in comparison to first-stage lobbying – especially, the weaker the own position is – is the usage of other players' resources which can be seen as a leverage improving the input-output-ratio clearly. Considering an interest group being strong in resources, it will be keen on investing a percentage of the available budget in case the ROI of a new opportunity is attractive enough. To guarantee this, so called incentivisation is the actual task of a second-stage lobbyist. Thinking game-theoretically the elaborated alternative has to bring a higher outcome than the existing one. As it will be shown in the following subchapters,

the level of what a second-stage actor is required to offer can differ vastly: it might be a simple idea which is sufficient, it might be a well-designed strategy which is still not accepted by the target. These are the points worth discussing when elaborating mechanisms, the target selection, risks and potentials.

In line with this, also the necessary budget will differ. Certainly, also second-stage lobbying will not be for free and hence, an interest group which is struggling with survival now will not be saved right away due to the new second-stage concept. As much as experts are needed on the first stage, the second stage requires them as well. Again, it is with the group itself to find the optimal target and to stress the leverage effect as much as possible. Thus at least, in contrast to the first-stage approach even a small budget can result in significant effects – a question of design, target selection, self-promotion and cleverness.

4.3 The Mechanisms

The application of Olson's selective incentives (1982) is the key to success when it comes to second-stage lobbying. It is important to understand this point right away. Recalling the features of lobbying and thus so far first-stage lobbying, the deals interest groups offer to a decision-maker are direct help, financially or in human resources, for supporting the groups agenda. In contrast a second-stage lobbyist neither demands a direct compensation nor does one offer actual help, but only scenario-analyses and potential outcomes. Generally spoken, the first-stage can be defined as factual for factual while the second-stage as potential for potential.

The story told is basically the following: 'This is the status quo, that is the future. According to our analyses your current strategy will result in this outcome; our suggestion would bring you a higher one. Thus, we highly recommend a re-orientation.'

Despite the easy-sounding statement, elaborating such analyses involves a vast amount of work and hence, there are factual investments from the lobbyist's side. Nonetheless, it is no actual promise of further support, but pre-work to attract the target comparable with a fisherman's bait. Everything beyond that is not guaranteed but based on the probabilities of a fortunate future which luckily can be influenced by the target's actions. The actual repertory of selective

incentives per se is plentiful and depends on the target one deals with but can be reduced to two main aspects: moral and profit.

This is actually in line with Riker's concept of heresthetic in contrast to rhetoric; the first is about attraction (profit), the latter about conviction (moral). One can only be convinced on a moral level when the dimension of the problem is also the dimension of solving it: disclosure of misbehaviours causes inner nausea and the adjustment of behaviour aims to be in line with the own ideology again. Thus, it can be regarded as a negative incentive as continuing like this not only causes wakeful nights but also a damage of reputation connected with the potential loss of members. Rhetoric, hence, only applies in case of value-driven targets: The Catholic church should be in line with the Holy Bible, Green Peace in line with high standards on environmental protection, and PETA with animal ones respectively. Any deviation opens possibilities for negative incentivisation and thus for second-stage lobbyism. Vice versa, positive incentives are harder to realise on moral levels as it can be seen as an ideological overperformance, a doing better than the own (probably already high) standards require. The question how useful it is to incentivise value-driven targets will be discussed later on, when the selection of targets will be faced in general.

In contrast, heresthetic is the application of selective incentives at its finest as it is motivating one to do something in one dimension based on a stimulus in a second dimension – tearing it down to the base, this motivation is profit³⁸. Revenue-driven groups are neither pro or contra a point of view per se and as such neither an ally nor an enemy per se. They only may appear as such when the most profitable outcome for them is randomly on the other end of the scale within a dimension. Aiming for profit maximisation makes them easier targets on paper as they can be seen as a banner blowing in the wind following the call of a better outcome. Thus, it is with the lobbyist to show the target that there are better alternatives than the currently chosen one and thus more attractive incentives. As revenue-driven groups are neither ally nor enemy, the best

³⁸ Although there are narrow interest groups and companies who seem to have built their actions on specific values, so called business ethics, or actually support public interest campaigns, this work will only distinguish between value- and revenue-driven, but no mixed forms. This is not only for the sake of simplification, but also due to the remaining question if these revenue-driven actors apply those values actually due to principals or only for rational reasons of public relations and better sales quotes.

such a group can be is a booster for one's own agenda and a freeride – despite all initial investments – one should use as long as possible without relying on it (too much).

The trigger for the target to act in line with the lobbyist's ideas is the outlook of higher income or the avoidance or at least minimalisation of loss in critical situations. All can be seen as positive incentives as negative ones would actually mean worsening in comparison to the status quo – this is indirectly applied in the positive incentives as no adjustment of the current strategy would lead to such an outcome. In extreme situations, a lobbyist could threaten with destructive methods (negative incentives) such as boycotts and blockades by member mobilisation as far as the own resources allow this. Nevertheless, it should definitely be applied as a last resort in case no positive incentive worked as it will disrupt the entire lobbyist-target relation(ship).

Although, one might say that reputation might be a third aspect next to moral and profit, in most of the cases it is just an intermediate of the other two. In case of moral, bad reputation will only discover the ideological deviation to the public and thus cause realignment with the actual standard. In case of profit, good reputation helps to sell products, bad reputation will decrease the chance of success on the market – this is valid for companies as well as athletes and entertainers who have to keep their own market value up. Nonetheless, there might be rare cases of groups and individuals, who actually only aim for reputation as they want to be remembered in a certain way in the books of history. For those, as seldom as they appear, an individual elaboration has to be made as they could strive either for being 'remembered for something' (heresthetic) or 'remembered for something specific' (rhetoric).

Recalling Richard Hall and Alan Deardorff's (2006) categorisation of lobbying philosophies, exchange theory – (financial) campaign contribution for votes –, persuasion – convincing enemies or undecided –, and subsidising legislators – offering further resources for a specific topic³⁹ –, second-stage lobbyism can be seen as a level of subsidy. This feature is given as alternatives (hidden somewhere) on the targets' agendas are pushed into spotlight by the second-stage activist. With regards to value-driven groups every further support would be used to push the given agenda – although the priorities might be slightly re-settled. Concerning revenue-driven groups every action can be seen as a relief from effort, which otherwise one of

³⁹ For a more detailed elaboration please see subchapter 3.1.2 *A Lobbyist's Philosophy*.

the own resources would have to do or which possible would never have been done at all. Especially in case of new business plans it can be seen as a subsidy for critical starting costs. In comparison to hiring a marketing or consultancy company to develop such ideas for a high price, this help is free of charge and consequently saves money. Thus, just as subsidies do for instance in agriculture, also second-stage lobbyism is taking away initial costs and incentivising to get into action.

Examining the other two philosophies briefly, it can be seen that they do not fit: vote-buying can basically already be rejected when considering the term ‘buying’ as the whole second-stage concept is built on potential and not factual outcomes and no actual exchange of goods or resources. Without a profitable business plan for a fuel free world, a car producer would for instance also not support a ban of fuel-based motors as barely any short-term incentive could equalise the long-term losses. Convincing in contrast is only valid in case of value-driven organisations and even here it is in itself not persuasive that one is totally wrong, but rather that one has driven away from its own moral standards and a re-alignment is recommendable.

Taking all this into account, it is important to note, that the subdivision in revenue- and value-driven groups does not automatically imply, that one can only lobby within the same division one is part of, or only cross-divisional. It is with the lobbyist to identify and chose potential and promising targets resulting in the application of rhetoric (one dimension and same division) or heresthetic (n-dimensional and cross-divisional)⁴⁰.

Furthermore, incentivisation - positive as negative - does only work in case of the lobbyists having some values in stock such as a high number of (potential) members or represented people, alternatively networks and contacts. Nonetheless, as second-stage lobbyism is based on potential outcome also values which have not been realised yet can be used as incentives – one can think of a growing number of members based on member benefits granted by the target. Moreover, the second-stage lobbyist herself can increase such potentials by applying well-

⁴⁰ In case of a profit-driven lobbyist striving for a profit-driven target one would still deal in the field of morality although the morality is per se profit and thus everything what the law does not explicitly prohibit. In case of a profit-driven lobbyist striving for a value-driven target, the latter is aware of the lobbyist’s general attitude and thus aware of the n-dimensional space both actors deal within; accordingly, here once again it is heresthetic and not rhetoric which applies.

coordinated first-stage outside lobbying. Pending on the lobbyist's resources, earlier brand boycotts or online guerrilla activities – in the best case not officially examined in the name of the lobbyist itself as this could endanger the whole lobby-relationship – can improve the lobbyist starting and negotiating point. It can be seen similar to quite frequently happening and market-conform acts of companies first applying price dumping to evoke competitors' crises and then suggesting a merge, buy-ins, or cooperation to save them⁴¹ – a weakened, stumbling target is most often a good target open for new suggestions.

4.4 Standardisation of Targets for Pre-Selection

In the following, a simple step-by-step tool-kit will be described which contains the basic ideas for identifying promising targets for second-stage lobbying. The applied math will be kept very simple and thus only includes the calculation of the (weighted) averages – both supported by illustrative tables. Although, this might be considered as too simplified, it is necessary to understand the general idea, which is certainly easiest the more comprehensible the logic is. Once understanding is given, it is always possible to increase the level of complexity in follow-up works and when examining more specific features of a field in depth.

Before going for the actual target, as a first step, it is necessary to identify the relevant actors in the field, their motivations, strategies, and goals – an approach commonly known as environment analysis. Without a full picture, or complete information as it is called in game theory, any actor and thus also a second-stage lobbyist can have difficulties in making a sound decision. Certainly, reality often differs with respect to perfection from theory, and so as much information as available and affordable has to be considered as sufficient. Nevertheless, an interest group which has been active in the field for years, either with direct or indirect activities, should be aware of the other involved players: Can they be seen as allies or enemies? Are they value- or profit-driven? All at least to a certain degree as there might be for instance hidden actors such as other second-stage lobbyists who avoid presenting their influence in public. Thus, it can be assumed, that the one who lobbies already now, has at least enough information to

⁴¹ The current practices of state-financed or -subsidised airlines such as Qatar and Etihad Airways, as well as Emirates and Turkish Airlines are brilliant examples of such manoeuvres.

understand the game one is in. Perfect but also complete information as described in game theory is however unfortunately de facto impossible.

Based on this, it can be identified which actor n holds which position and power p . In a first step, the factors to be considered are the ones identified to create inequality within lobbying and thus cause underrepresentation in the first place: budget b , mobilisation m and responsiveness by officials r . Building a ranking with regards to this and assigning for instance values from 1-10 for each category, candidates probably worth lobbying can be identified. Although, this might seem of little value with a small number of competitors, it will turn out to be valuable once more intense and individual analyses have to be applied. Importantly, this step of standardisation makes the actors comparable. Assuming for now all three factors to be of the same importance, their sum will be divided by three to calculate their average. The linear setup of the characteristics ensures the results to be between 0 and 10, which allows an easier comprehensibility and perception in comparison to for instance multiplication and values up to 1.000.

$$p_n = \frac{(b_n + m_n + r_n)}{3}$$

	<i>Budget</i>	<i>Mobilisation</i>	<i>Responsiveness</i>	<i>Average</i>
<i>Interest group 1</i>	5	2	3	3,3
<i>Interest group 2</i>	9	1	9	6,3
<i>Interest group 3</i>	3	9	7	6,3

Table 2: Simple example of standardisation for targets' pre-selection

As the averages in the above table imply, *Interest Group 2* and *3* both seem to be of same power. Nevertheless, politicians' responsiveness towards the one and the other group differ. That is important, as this factor actually indicates how efficiently one's resources, money or human capital, can be used. In general, and as confirmed by academia (Olson, 1965; Gilens, 2005; Eising, 2007; Woll, 2006; 2008), a high interdependency between budget and responsiveness, as well as mobilisation and responsiveness can be expected. Both factors make one worth to be

consulted and involved by holding the needed actually push and realise changes or strengthen the status quo if desired. Nevertheless, also personal ties due to friendship, family relations and former employment can have a big effect on responsiveness (Tenpas, 2005).

Accordingly, the application of factor-specific weights w might be useful to allow a finer differentiation. Again, although the importance of responsiveness was explained above, the actual alignment of weights to the three categories depends on the own group characteristics. One in need of budget may consider a financially well-equipped target as more useful; vice versa, one rich in budget may need a member-rich target. In both cases an increase in responsiveness might be achieved by the second-stage lobbying activity itself. This might be the case, when a creative and smart second-stage lobbyist might prefer an uprising target instead of a well-established one as it will forecast a change of order. In contrast to the former equation, the average is now not anymore dependent on the number of factors but the assigned weights w .

$$p_n = b_n * w_b + m_n * w_m + r_n * w_r$$

$$\text{with } w_b + w_n + w_m = 1$$

For the sake of this work and since it is supported by academia, for now responsiveness will receive the highest weight (40%), while the others will split the remaining 60%. Already this slight adjustment may result in useful deviations as it can be seen below with *Interest Group 2* now leading by a canvas.

	Budget (30%)	Mobilisation (30%)	Responsiveness (40%)	Total (weighted)
<i>Interest group 1</i>	5	2	3	3,3
<i>Interest group 2</i>	9	1	9	6,6
<i>Interest group 3</i>	3	9	7	6,4

Table 3: Simple example for identifying targets with applied weights

It is self-explanatory that the inclusion of further group-specific and lobby-relevant features would increase the complexity of this standardisation process but at the same time enrich the meaning of the results. Based on the own resources and possibilities, as well as the available information, it has to be considered if the rise in accountability is worth the additional effort. Due to the currently conceptual non-existence of second-stage lobbyism, no reliable empirical data is available to design a general model emphasising the important nuances and including the experiences of the past.

In the following abstract relevant aspects will be described and a fictive model will be designed to underline which effect the consideration of further factors might have. The elaboration does not aim to be testable or anyhow loadable but solely serve the purpose of illustration and understanding.

A first possible point to include is a target's driving factor. As elaborated before either profit or moral. The consideration right in the beginning might help to avoid the inclusion of candidates which might be of no value for the lobbyist. The explanation might be an obvious one, however it is important to mention it. A value-driven interest group will maybe at the utmost, but probably never lobby in favour of a matter which is not in line with the values this organisation or gathering represents: It is hard to imagine a group like Sea Shepard lobbying for simplifying or allowing whaling, Green Peace for clearing of the Amazon, nationalists to open the borders, or the Catholic Church lobbying for abortion. Thus, there is barely a point of even trying to convince enemies, and otherwise actual misbehaviour or deviation from their ideology would be needed to incentivise such a group for improvement. No doubt, there could be a setup where it might be worth considering, but in general their push might be containable; this is also the case as a green movement acting green again or greener as before will not catch as much public attention as a multi-million-dollar company adjusting salaries in developing countries. So, influencing profit-based actors might be more promising than moral-based ones.

Next, further characteristics of the targeted interest group have to be considered: the group size, if they are encompassing within a field, and if they are privileged. Firstly, Olson (1965) predicts easier decision-making within smaller groups as the benefit in percentage of each member is higher and also as the voting itself is less complex. Hence, such a feature is beneficial for second-stage lobbying as it can be performed with smaller effort in relation to people who have

to be contacted and whose concerns have to be considered. Thanks to less hierarchy, sub-boards, and local units a decision can also be expected to be made faster.

Secondly, an encompassing group, one which represents a majority of workers or businesses within a sector, can be seen as an attractive target. Due to its size and power, every action will have significant influence on the entire industry and thus create pressure on the remaining actors, other industries as well as politicians. Good examples are the pilot or conductor union in Germany, which represent basically all professionals and whose strikes regularly create chaos in the public transportation and magnificent losses to the whole economy. Olson (1965) also ascribes them high tolerance for sacrifices as they as well receive a majority of the resulting benefits. Successfully lobbying such a group, hence, basically guarantees the support of a whole industry. In contrast to a small group, influencing such an actor might be more complex due to its encompassing structure and all involved chapters.

Thirdly, Olson (1965) also names the situation of privileged groups, which Taylor and Ward (1982) describe as a setup of one actor being willing enough to bear all costs to change the status quo. This means, that all or at least a majority of an industry is interested in a new legislation, but all are aware that one actor – maybe driven by the personal share – accepts to pay everything alone. With regards to second-stage lobbying this means, that this player is the obvious target as subsidising this actor means pushing the whole industry towards a (new) direction. Nevertheless, still the group as a whole has to be considered and convinced by the new approach as there otherwise might appear group internal conflicts. The benefit here, however, is that once all are aligned, one or alternatively only a small number of group members will take it into action.

Depending on the industry those three characteristics can be exclusive, but do not necessarily have to be. The pharmaceutical industry for instance has oligopoly structures with a few very powerful, big players, which means a small group size with encompassing features. Due to each member's share, the group might even be privileged as a change of legislation or the application of methods could be so beneficial already to one company, that it would lobby regardless of the others' contribution.

Simply for the sake of illustration of rising complexity, the factors mentioned above will be introduced as divisors⁴². It should furthermore underline that a clear point of view on all these factors and their (dis)advantages in the second-stage lobbying setup is required before considering them. Hence, the aim is not to include any actual applicable findings, train of thoughts, or causal explanation. Let μ be an indicator of moral-driven, σ for group-size, ε for encompassing characteristics, ρ of a privileged group; all with their own specifically defined value areas.

$$p_n = \frac{b_n * w_b + m_n * w_m + r_n * w_r}{\mu * \sigma * \varepsilon * \rho}$$

$$\text{with } w_b + w_n + w_m = 1$$

$$\mu \in \mathbb{R} \neq 0$$

$$\sigma \in \mathbb{R} \neq 0$$

$$\varepsilon \in \mathbb{R} \neq 0$$

$$\rho \in \mathbb{R} \neq 0$$

Regardless of the chosen level of complexity, the applied approach will lead to a ranking of all interest groups in the field one wants to become active in. With this knowledge a cut of a certain number of actors can be made. These players will be taken to the next step of spatial analysis – here, again there is no right or wrong cut-off-value, but a decision has to be made based on own resources and time. The higher the cut-off-value, the higher the resulting costs for the lobbyist.⁴³

4.5 Spatial Analyses for Targets' Final Selection

The application of spatial analysis is the core tool of second-stage lobbying as the same examination reveals the final target(s) to pick but also the potentials each target can achieve.

⁴² Even higher arithmetic instructions such as power or root, but also simple multiplication or addition/subtraction could be imaginable as well. Additional elaboration and analyses are needed to justify the one or the other. For now – without further empirical data – no type of calculation can be said to be right or wrong.

⁴³ This statement can be assumed to be valid for the sake of this dissertation. Additional elaboration on different cost types and mass effects is by far going beyond the limits of this work and an actual excursion in the field of micro-economics, specifically production costs.

Thus, it is an identification and incentivisation tool at the same time allowing different scenarios with reactive and non-reactive competitors – a differentiation Smithies (1941) made as well – and varying behaviour of the population.

4.5.1 Development of the Model

Based on Hotelling's work, the first step is to decide on the dimension to act in (x-axis) with a scale from 0 'not acting in favour of the matter' to 1 'acting in favour of the matter'. This main dimension is independent from the target but free to choose by the lobbyist. It is advisable to decide based on the second-stage actor's main field: In case of Amnesty International for instance human rights or a subcategory of it like fair salaries, working conditions, drinking water or others; for PETA it would be any topic related to animal rights. In general any social and public matter might work in case of a value-driven cause group. Also, a profit-driven group has to pick any matter but profit as the latter will be calculated based on the population's opinion on the main dimension.

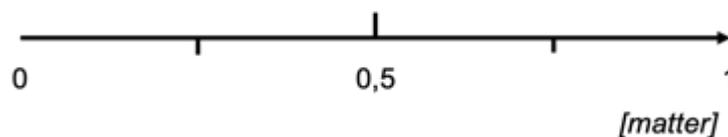


Figure 12: Development of the spatial model – (1) x-axis

As a second step, the second dimension 'population's preferences' (y-axis) will be introduced. This one will at least as far as this work goes always be the fixed second dimension. It is the continuation of Duncan Black's idea on a single voter's preference expanded to the attitude of a whole population⁴⁴.

⁴⁴ The intermediate step has been performed at the end of chapter 3.3.3 *Black's Order of Preferences* when converting Black's matrix on all voters' opinion into a graph. Possible occurring discussable matters have been faced there already.

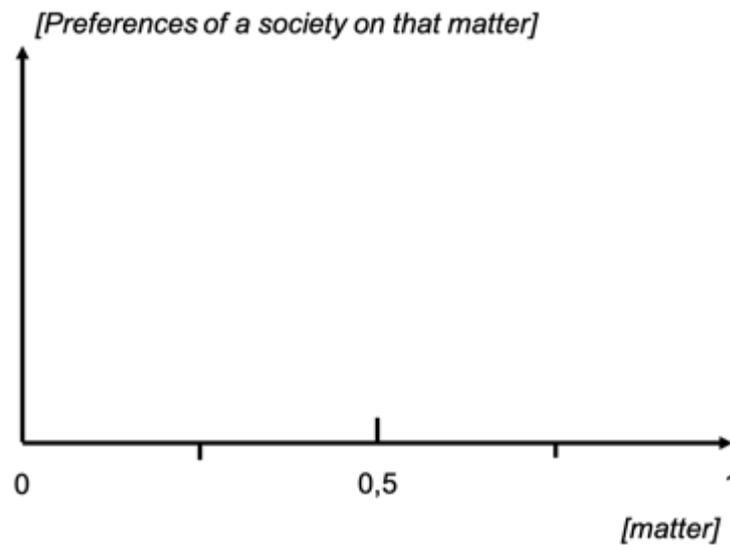


Figure 13: Development of the spatial model – (2) y-axis

As a third step – at this moment of model design for simplification –, a normal distribution will be assigned. Note that is not anyhow a fixed assumption but always a topic-specific matter. Nevertheless, in case of no active and constantly present public discussion of the dimension in focus, a normal distribution based on the ‘medium voter theorem’ is quite probable: There are people pro and against the matter, but the average person will be somewhere around the centre representing either ‘indifferent,’ ‘undecided’ or ‘not examined at all.’

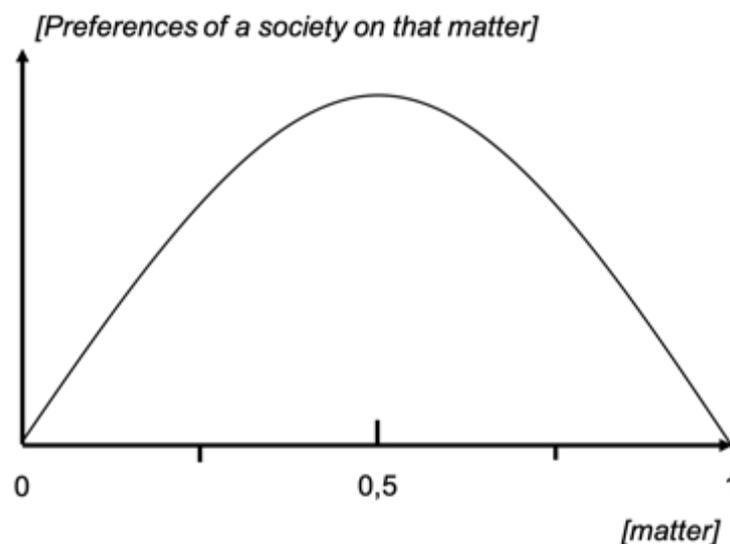


Figure 14: Development of the spatial model – (3) normal distribution

In contrast to Black's statement that the preference dimension does not express quantity but only ranking, in this model the quantitative aspect is of utmost importance. It will be used to calculate an actor's share of the population and thus accordingly of the market in the remainder. Therefore, every further y-unit represents more market share for a competitor and thus more potential profit.

Next step is the placement of the target(s) of interest elaborated in chapter 4.4 *Standardisation of Targets for Pre-Selection* and its same-market competitors on the x-axis (a_n, a_m, \dots, a_{m+z}). It is of importance to consider the same-market situation as for instance Nestlé changing its way of production will not change a petrol company's behaviour – at least not directly – although both might be powerful first-stage lobbyists when discussing the exploitation of South American nature reserves. Nonetheless, a consumer of Nestlé's groceries would not boycott them for example and purchase more petrol instead as these actors do neither offer the same products nor even substitute products; at the same time, a boycott of Nestlé's products could lead to higher market shares for the Mars, Unilever or Kraft conglomerations which are active in the same field. Consequently, such players have to be placed in the same setup as the potential lobbying target. Hence, as shown, potential targets might be in the same spatial model – whenever they are represented in the same market –, but do not have to. In case of the latter, several spatial models have to be elaborated until all former picked potential targets have been considered.

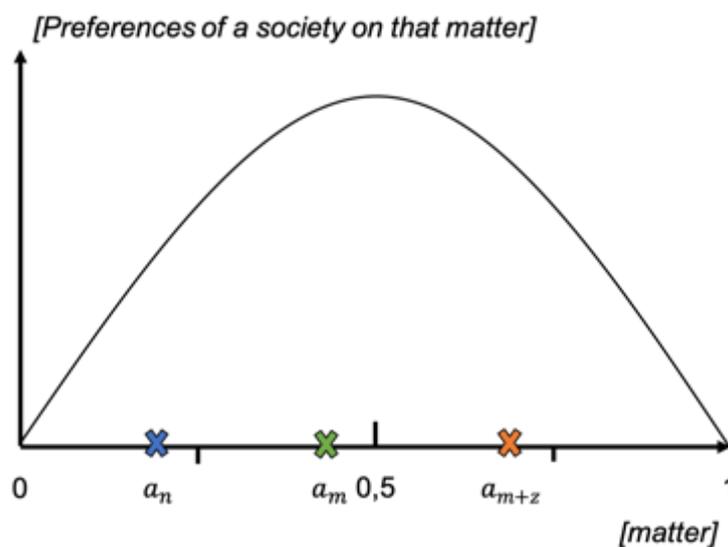


Figure 15: Development of the spatial model – (4) Placement of targets

Additionally, it is worth remembering, that the placements are based on actual real-life data and not optimal locations examined by for instance Hotelling or Smithies. In a way they are exogenously given by events of the past, every action until the moment of analysis which may result in situations far away from theoretical optimum and – as many situations show – suboptimal for society. The spots chosen for the upcoming graphs are selected in a way to make the second-stage effect most obvious although the author is aware, that not every real-life setup might be this perfect for the strategy's application.

Based on the actor's position on the x-axis, the area below the graph can be assigned to each competitor by calculating the definite integral of the function $f(x)$ representing the people's preference distribution – as explained before, for the sake of simplicity a normal distribution can generally be considered as the starting point and thus the initial function within this model. The limits of these integrals are determined by the points halving the distance between two actors a_n and a_m , as well as a_n and a_{m+z} on each side. In case of no other competitor being further left or right, the ends of the x-axis 0 and 1 respectively close the integral.

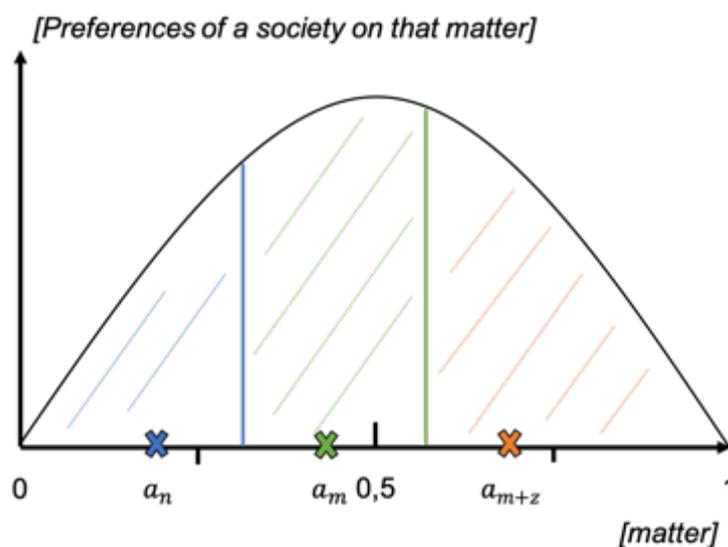


Figure 16: Development of the spatial model – (5) Allocation of market shares

This results in the general notations for the actor closest to the left boundary 0 (Figure 16: blue area),

$$\int_0^{1/2[a_n;a_m]} f(x)$$

for any intermediate actor (Figure 16: green area),

$$\int_{1/2[a_n;a_m]}^{1/2[a_m;a_{m+z}]} f(x)$$

and the one closest to the right boundary 1 (Figure 16: orange area).

$$\int_{1/2[a_m;a_{m+z}]}^1 f(x)$$

Based on the above calculated, the pre-selected target with the smallest result can for now be considered as a good target as an unsatisfying status quo holds a big chance for improvement. Assuming a simple dummy price of 1 per unit sold per every unit of the calculated area, this area can actually be seen as the profit one actor makes. Nevertheless, the status quo by itself is not sufficient to make a sound decision as it has to be checked first which change can be achieved by reallocation.

4.5.2 Reallocation without Counteraction

Even without any social and/or cultural change in the future, a reallocation might be worth its reallocation costs c_n as long as the difference between the old integral at time t – and thus the old profit – and the new one at $t+1$ – accordingly the new profit – exceeds the costs for moving⁴⁵. For now, the remaining competitors will be considered as passive actors accepting a_n 's activity without any counteraction.

⁴⁵ For the sake of simplicity within this paper, there is no further differentiation of costs – although it might be worth further investigation. The reallocation costs c_n stated here include all kind of investments such as new potential physical actions such as movements or new (production) facilities, higher salaries, compensation of

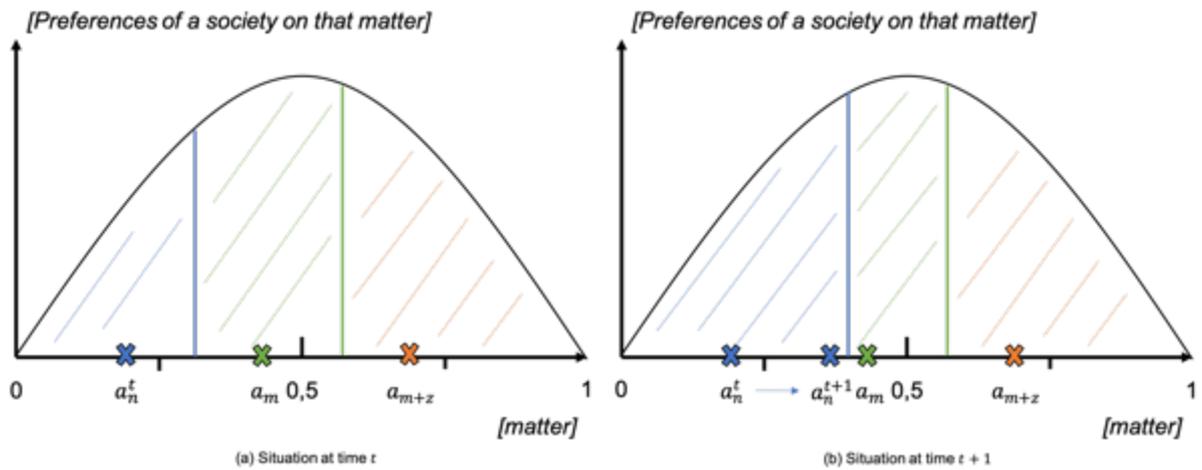


Figure 17: Graphical comparison of market shares after possible reallocation

Hence, generally said and independent of the actual a_n -based lower l and upper u boundaries of the interval – an intermediate or edge interval – a reallocation is worth it,

$$iff \int_{l(a_n^{t+1})}^{u(a_n^{t+1})} f(x) - \int_{l(a_n^t)}^{u(a_n^t)} f(x) > c_n$$

or written differently,

$$iff \int_{l(a_n^{t+1})}^{u(a_n^{t+1})} f(x) > \int_{l(a_n^t)}^{u(a_n^t)} f(x) + c_n$$

Despite this general possibility of a more attractive status-quo-location, forecasts are usually a helpful tool for a second-stage lobbyist to make a new location more attractive to the target. Cultural or social changes can be caused by different reasons and result in different effects. As mentioned before, the World Values Survey (2018) and some of the involved academics such as Inglehart (2018) predict a shift towards a more considerate, reflected and challenging society focusing on individuality and self-expression. Although this transformation might not be at its peak yet – otherwise public interest groups would not have the issue of missing support they

affected people, donations, new collaborations, marketing campaigns, etc.; it contains all costs which are related to the transition from the location at t to the one at $t+1$.

have now –, a shift of society towards one edge can be the result. Parallel first-stage outside lobbying can push this extension even further. In contrast to far-reaching (political) decisions with respect to fuel-based cars, short-distance flights or agriculture, such shifts are more often to be noticed and more probable when it comes to products of daily use such as groceries, toiletries or clothes as the personal sacrifice is often just in the Cent- or small Euro-area.

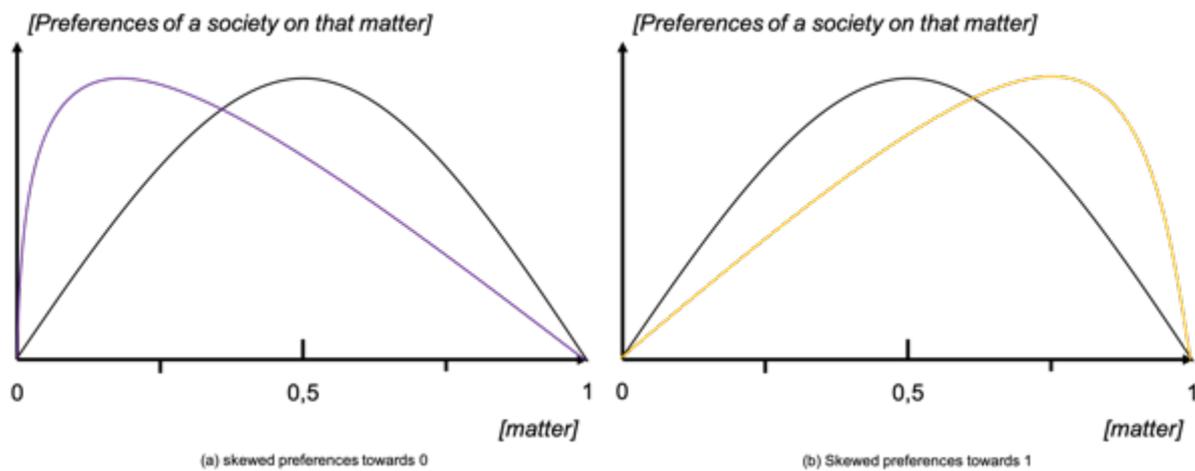


Figure 18: Skewed preferences of a society

Moreover, cultural change can also be noticed in time of aggressive populism as it can be seen these days all around the world with the United States under the Trump administration, the upcoming Brexit, and the refugee situation in Europe. Taking Great Britain as an example, the fronts between ‘leavers’ (against remaining in the European Union) and ‘remainers’ (pro European Union) within the British society harden constantly as the ongoing parliamentary quarrels and non-decisions evoke ongoing public debate with ‘being neutral’ to be unacceptable. Here, instead of a skewness of a single-peak in one direction, a split in a double-peak can be seen as one is either in favour or against the strong border control between Mexico and the US, in favour or against an independent and self-determinant United Kingdom, in favour or against the acceptance of refugees in the European Union. Something similar can be identified with regards to nowadays’ politics in Israel, Russia, Turkey, Iran and North-Korea, or when recalling the Cold War as an extreme of such a setup.

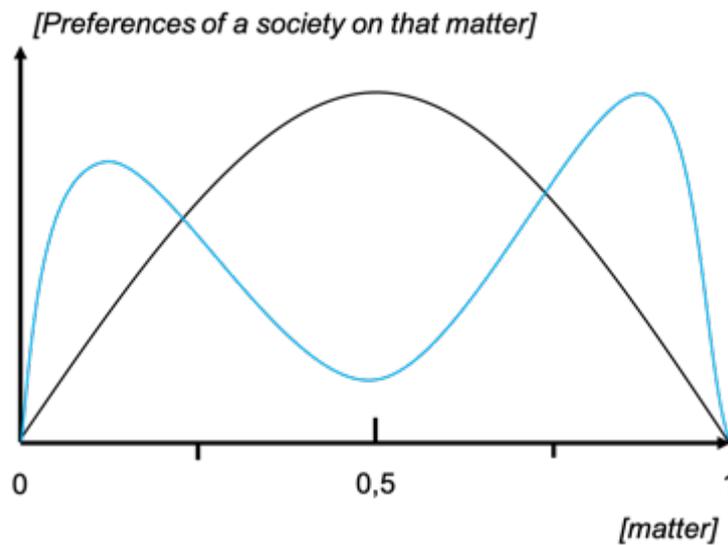


Figure 19: Double-peaked preferences of a society

In contrast, a baby boom or mass-integration could lead to a simple increase of the normal distribution in numbers. Thus, settling more centrally could be attractive for instance.

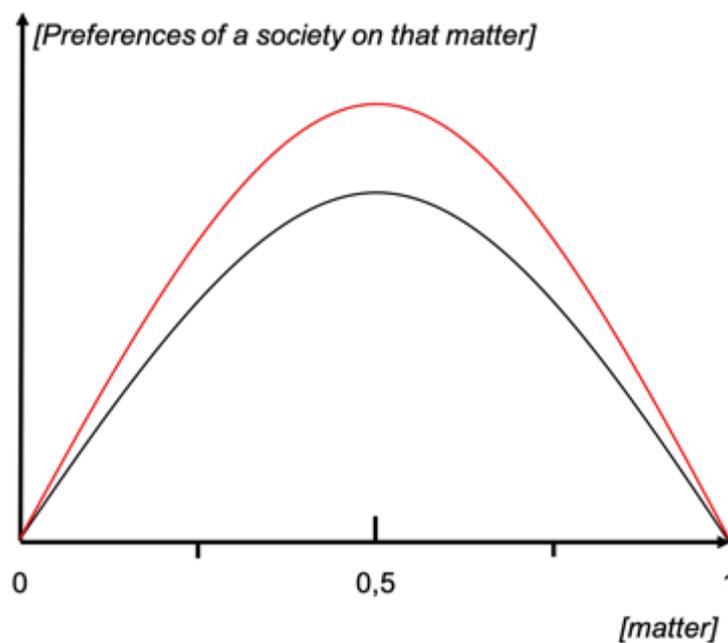


Figure 20: Higher single-peaked preferences of a grown society

Nevertheless, such events like mass-integration or a ‘baby boom’ often do not only come with an increase of total numbers, but often also with a shift towards one edge as the new arrivals cannot be expected to be normally distributed in comparison to the existing current population:

In case of mass-immigration, especially when thinking of the current refugee situation, there is no controlled and qualification-based quota in place. This results in the arrival of people with other cultural standards and most probably varying skills.

Vice versa, also the opposite can happen, when generations with a high birth-rate and a different system of values such as the ‘silent generation’ or especially the ‘baby boomers’ pass away at one point. Thinking of an early 20th century-Europe – strongly shaped by the church –, homosexuality was said to be a mental illness as well as against god’s will which both led to a dogmatical establishment in the mindset of generations. With these people now turning older and dying, this dogma as well vanishes continuously.

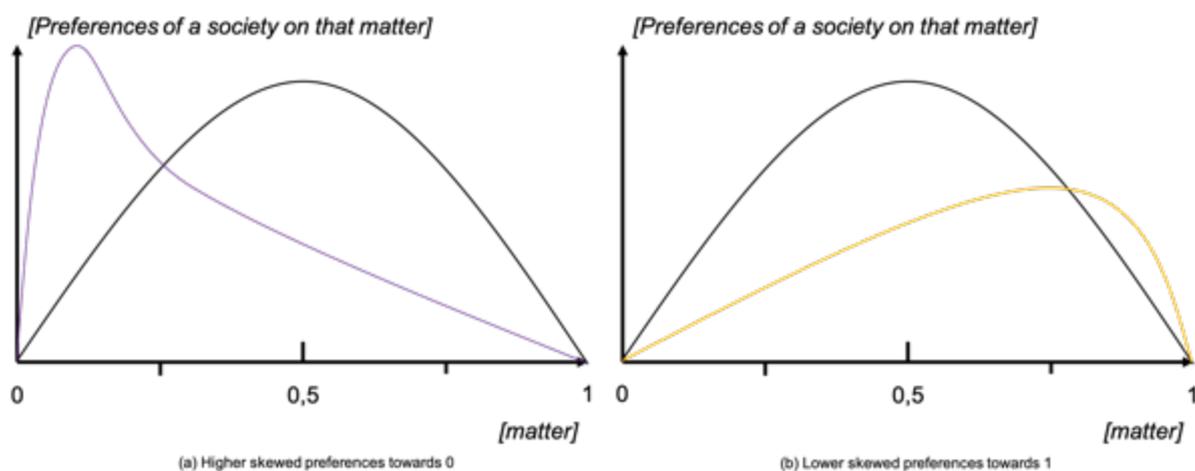


Figure 21: Higher and lower skewed preferences of a grown and shrunk society

In which way ever society changes, there will be for sure a new preference-function $g(x)$ instead of the former $f(x)$. Accordingly, the target’s situation now has to be expressed based on the new function which can result in losses to the status quo,

$$iff \int_{l(a_n^t)}^{u(a_n^t)} f(x) > \int_{l(a_n^t)}^{u(a_n^t)} g(x)$$

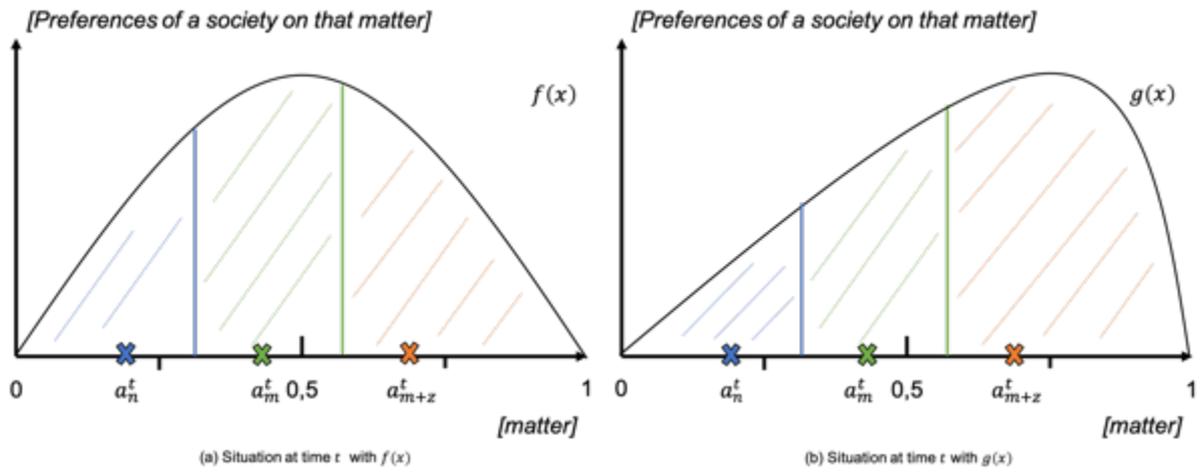


Figure 22: Comparison of market shares after social change

Such potentially losses, which can be seen for a_n and a_m in Figure 22, are actually the best which can happen to a second-stage lobbyist: They open the door for all possible suggestions on how the target can prevent that loss or even realise a fortunate twist by turning a potential loss into a potential gain – all based on a reallocation on the chosen main dimension. Thus, the aim of the lobbyist has to be presenting a new location for target a_n at time $t+1$ on the x-axis which allows the potential profit to exceed the sum of the original scenario profit at time t and the related reallocation costs c_n :

$$\int_{l(a_n^{t+1})}^{u(a_n^{t+1})} g(x) > \int_{l(a_n^t)}^{u(a_n^t)} g(x) + c_n$$

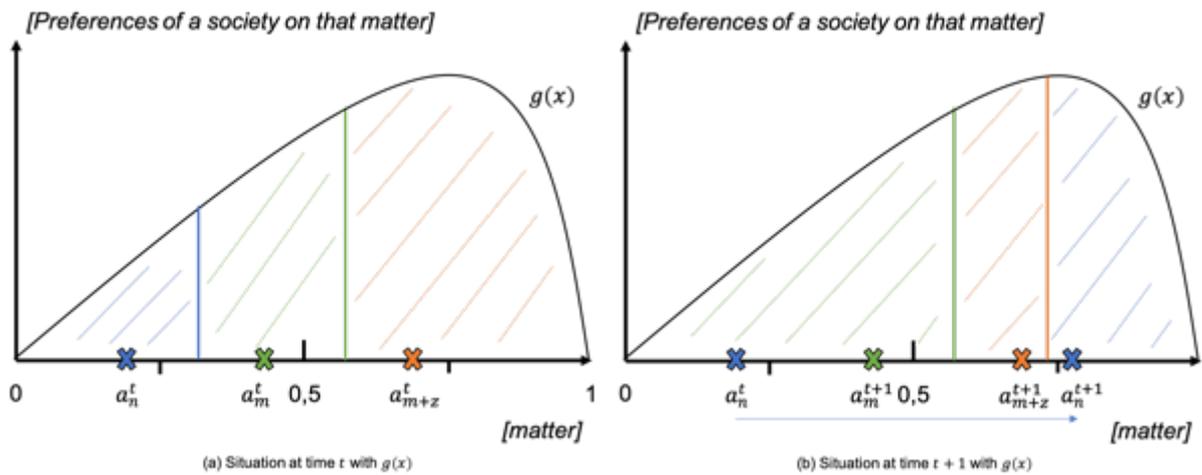


Figure 23: Comparison of market shares after social change and possible reallocation

In a best-case scenario, the lobbyist could show the target, that the profit under the new location in face of $g(x)$ is even is higher than the original profit under $f(x)$ plus the costs of reallocation c_n . This is valid,

$$\text{iff } \int_{l(a_n^{t+1})}^{u(a_n^{t+1})} g(x) > \int_{l(a_n^t)}^{u(a_n^t)} f(x) + c_n$$

The better one wants to be prepared and the more resources one has available, the more one cannot only elaborate one future scenario $g(x)$ but a variety of those such as $h(x)$ or $i(x)$. Consequently, they represent different possible preference curves and scenarios which is in line with the micro economic tool of a scenario funnel.

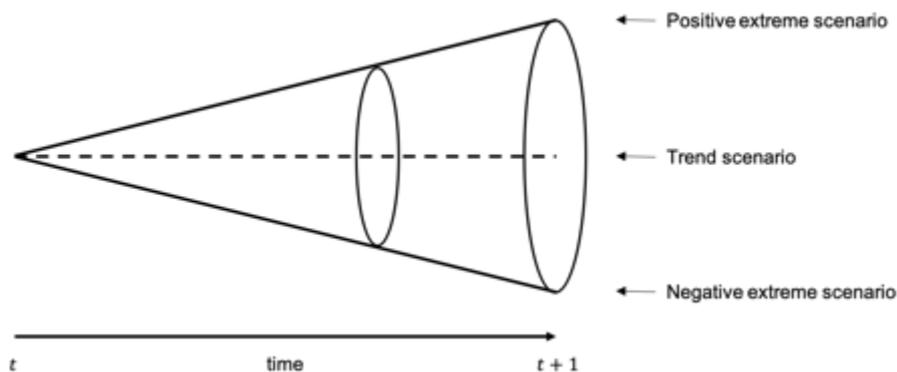


Figure 24: Simplified adopted scenario funnel (Passey, Goh, & Kil, 2006)

This approach allows to cover all possible future events from worst case to best case, which can be helpful for the second-stage lobbyist in three ways: Firstly, to evaluate the robustness⁴⁶ of the target-decision as it can show in how many scenarios there actually is a chance to incentivise the target for an agenda change. If this turns out to be more promising for another pre-selected target, a new favourite may arise. Secondly, it implies professionalism and credibility to the target by proving to know the own business. Thirdly, this also increases the probability of success, as one can show the positive effects of a change not only in one but in a

⁴⁶ Although the idea is basically the same, this proof does not anyhow imply statistical robustness but only a perceptive one. Nonetheless, once empirical data for second-stage lobbyism is available the test of statistical robustness of scenarios can turn out to be a big advantage.

variety of scenarios, could assign probabilities and thus generate a mixed calculation, as well as having another ace up one’s sleeve in case of a tough negotiation partner.

4.5.3 Reallocation with Counteraction

So far, only the target actor a_n has been considered active while all other competitors a_m to a_{m+z} have been treated as passive observers and decision takers. However, this is not the case in real life and whenever a_n thinks of reallocation, all other actors will also apply scenario analyses as the ones described above – more or less thoroughly based on their resources. A second-stage lobbyist, hence, has to take this into account when calculating the new profits for the target as the competitors may adjust their locations as well to avoid spatial losses.

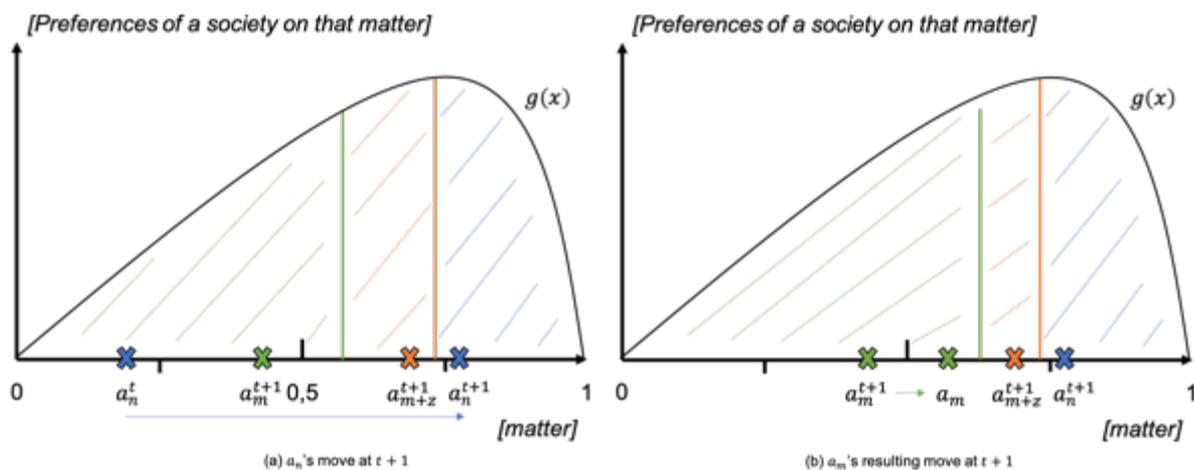


Figure 25: Comparison of market shares in case of one or two actors reallocating

The advantage of a_n in comparison to its competitors is essentially the subsidy received by the second-stage lobbyist as this reduces the reallocation costs by the effort of initial analyses – to whatever degree it took place. All others do not have this endowment and have to start at zero, urged to hire consultancies or marketing firms designing a reaction on a_n ’s move. At the same time, their reallocation costs a_m per se could be significantly higher or lower depending on their actual position on the x-axis. Thinking of a company that is already environmentally friendly, further adjustments towards an even greener agenda is less expensive as there is already a fundament; vice versa the opposite could be the case as well. Consequently, it has to be proven for every additional actor if a reallocation based on the existing knowledge is worth it or not.

Without further mathematical in-depth elaboration of all such scenarios – as this would go beyond the scope of this thesis – it can be stated that a_n has a potential future profit π at $t+1$, turning out to be

$$\pi_{a_n; n}^{t+1} = \int_{l(a_n^{t+1})}^{u(a_n^{t+1})} f(x)$$

if only a_n reallocates and there is no counteraction as shown in the former chapter,

$$\pi_{a_n; n, m}^{t+1} = \int_{l(a_n^{t+1})}^{u(a_n^{t+1})} f(x)$$

if only one further player m moves,

$$\pi_{a_n; n, m, m+1}^{t+1} = \int_{l(a_n^{t+1})}^{u(a_n^{t+1})} f(x)$$

if the two players m and $m+1$ move,

$$\pi_{a_n; n, [m, m+z]}^{t+1} = \int_{l(a_n^{t+1})}^{u(a_n^{t+1})} f(x)$$

at the point where all further players move with the actors being represented as the interval from m to $m+z$.

Here, the decision tree, which was introduced in the chapter on game theory, is a useful tool to cover all possible outcomes from the scenario funnel as well as all possible counteractions of the competitors in place. An incomplete diagram, for the sake of clearness only considering some of the elaborated revenue-formulas above, can be seen below. r represents the decision to reallocate; \bar{r} the decision to stick with the current position.

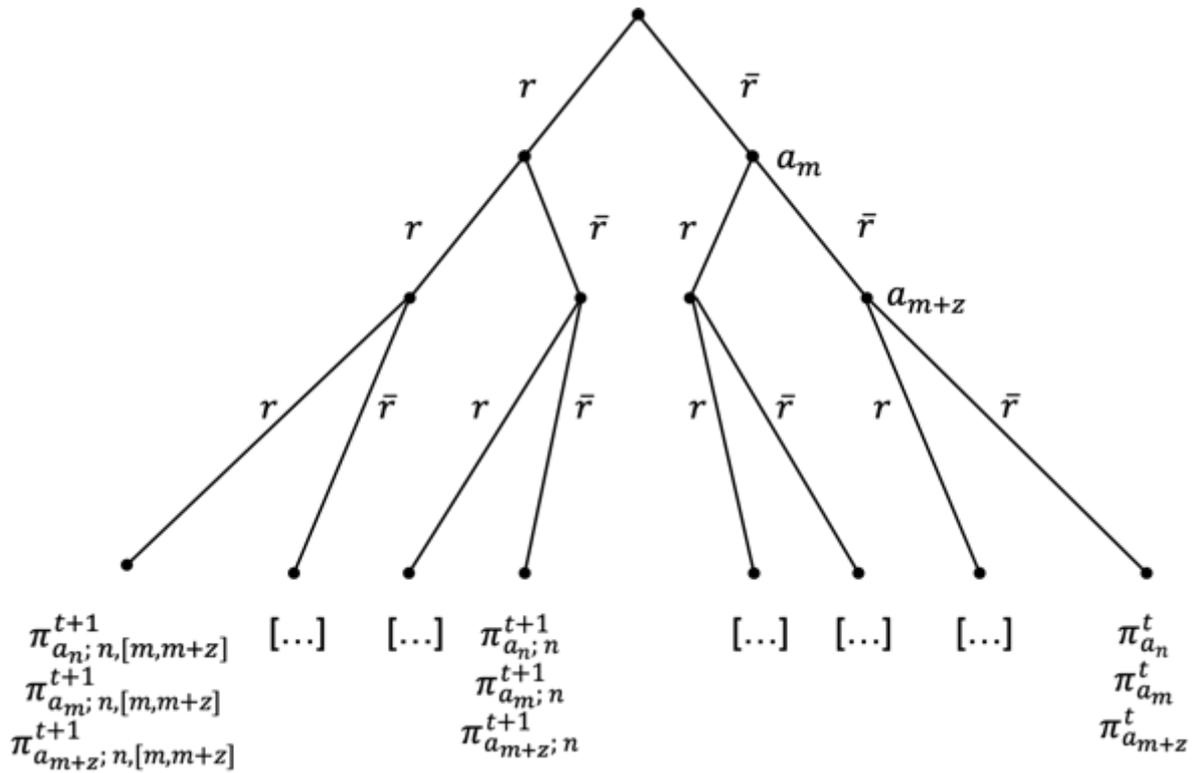


Figure 26: Decision tree for a multiple-move-scenario

4.6 Empirical Data on Societies' Preference Changes

As usual in a theoretical elaboration, in order to easily identify effects, measures, and mechanisms of a new concept ideal situations are consulted. With respect to this work these ideal situations are scenarios of perfect normal distribution, extreme skewness to one side, or specific spatial distances between competitors to evoke the aha-experience. The application of load tests with empirical data are the next consequent step of elaboration to proof the usability of the developed model based on real-life behaviour. Despite the author's personal interest, the actual execution of such tests concerning second-stage lobbyism is currently barely possible as there is no common understanding of what second-stage lobbyism is. Thus, there is no valid and comparable data of interest groups, especially public ones, available to be analysed.

The analyses of this subchapter, hence, start one step prior and do not focus on the actual test of the second-stage model but on the proof of preference changes within societies. The latter is an essential necessity for the application of second-stage lobbyism as changes within a population mean a disturbance of the status quo and as such a reassignment of market shares.

Such reassignments will bring forth winners and losers with the losing side holding optimal targets for a second-stage lobbyist as there is potential for consultation, adjustments, and reallocation.

4.6.1 Selection and Preparation of World Values Survey-Data

Basis of the following analyses is the data of the World Values Surveys (WVS) which have been conducted within the last four decades; a total of six questionnaire waves covering the period from 1981 to 2014 and giving insights into by now 60 countries. The nations chosen for the examination are Argentina, Australia, South Africa, South Korea, Sweden, and the United States. All of these countries were already included in the first wave and are still subject of the surveys. This permanence enables the display of what is needed for this work: change of society over years on specific matters. Selecting these states also allows for a worldwide view as they are located on all six constantly-inhabited continents⁴⁷. The author is aware, that such countries are neither representative for each of their continents nor for the entire world on average. Their data, nevertheless, underlines that changes in preferences are not a local phenomenon but are occurring all over this planet including different societies and cultures.

The chosen matters in focus are the justifiability of abortion, homosexuality, and prostitution. These topics were chosen because their answers rank from ‘never justifiable’ to ‘always justifiable.’ These two extremes, therefore, can be converted into the here used spatial scale of 0 (never justifiable) to 1 (always justifiable). The WVS-given intermediate values 2 to 9 are divided by eleven to fit into the eleven-decimal-range from 0 to 1 (0,0; 0,1; 0,2; 0,3; ...; 1,0). Responses such as ‘No answer,’ ‘Don’t know,’ and similar are not included in the evaluation as it would be incorrect to assume such a response to be a median one. With respect to second-stage lobbying such an exclusion is acceptable as sound statements and forecasts about market-shares and shifts still can be made based on the considered data. The number of total opponents, for instance, is not affected by the exclusion of the mentioned answer options.

Topics such as the environment, immigration, religion, or human rights are of interest for this work as well – especially, as these issues have been addressed and constantly taken as examples throughout the elaboration – but are unfortunately neither available in an easy-to-apply, easy-

⁴⁷ The Antarctica is not considered as a constantly inhabited continent.

to-convert, nor easy-to-compare way as relevant questions got (ex)changed throughout the various survey waves, or simply result in yes-no, and positive-negative answers which are not designed for a spatial 0-to-1-scale.

In the following subchapters, every matter will be presented on a worldwide level and in face of one of the six specific countries. For the latter a graphical examination in the style of the earlier elaborated spatial model will be presented as well. Although these graphs will not match the ideal consulted theoretical cases, they are meaningful results underlining the actual applicability for second-stage lobbying and showing the real-life change of preferences over four decades. Lastly, some ideas and information will be given on how an interest group could use this knowledge for the purpose of second-stage measures.

4.6.2 Justifiable: abortion

In the past decades, abortion has been a matter of general public discussion with both sides of the spectrum – total support and total rejection – being permanently present and advocating. Religious groups on the one hand, and women rights movements on the other hand can often be seen to be the extremes in such debates. While the former base their rejection on God's will and the sin of killing an unborn human being, the latter emphasise a woman's right to make self-determined decisions about her body. With sound arguments on both sides one might expect the average person to be undecided or maybe supporting a conditional solution.

WVS-results on the question *Justifiable: abortion* interestingly show countries to be at very different stages at the time of the first survey wave (1981-1984): in South Africa, for instance, nearly 50% of the population stated abortion never to be justifiable; in Sweden, in comparison, not even 15% did so. On average, in all six countries less than one quarter of the people were in the range of '6' and 'always justifiable' indicating a supportive attitude. While this score also in the following two decades only softly overcame the 25%-level, it nearly reached 40% in 2014. (World Values Survey, 2019b-g)

The United States were one country that traversed a drastic change with 'never justifiable' nearly losing 20 percent points (1984: 41,2; 2014: 22,4%) of which three quarters shifted beyond the 0,5-level. As shown in Figure 27, centralisation with a nearly 25%-high peak occurred as well. The general trend for the US over the last 40 years thus can be stated as a

significant drop of absolute deniers with a slowly, but steady increase of social acceptance of abortion.

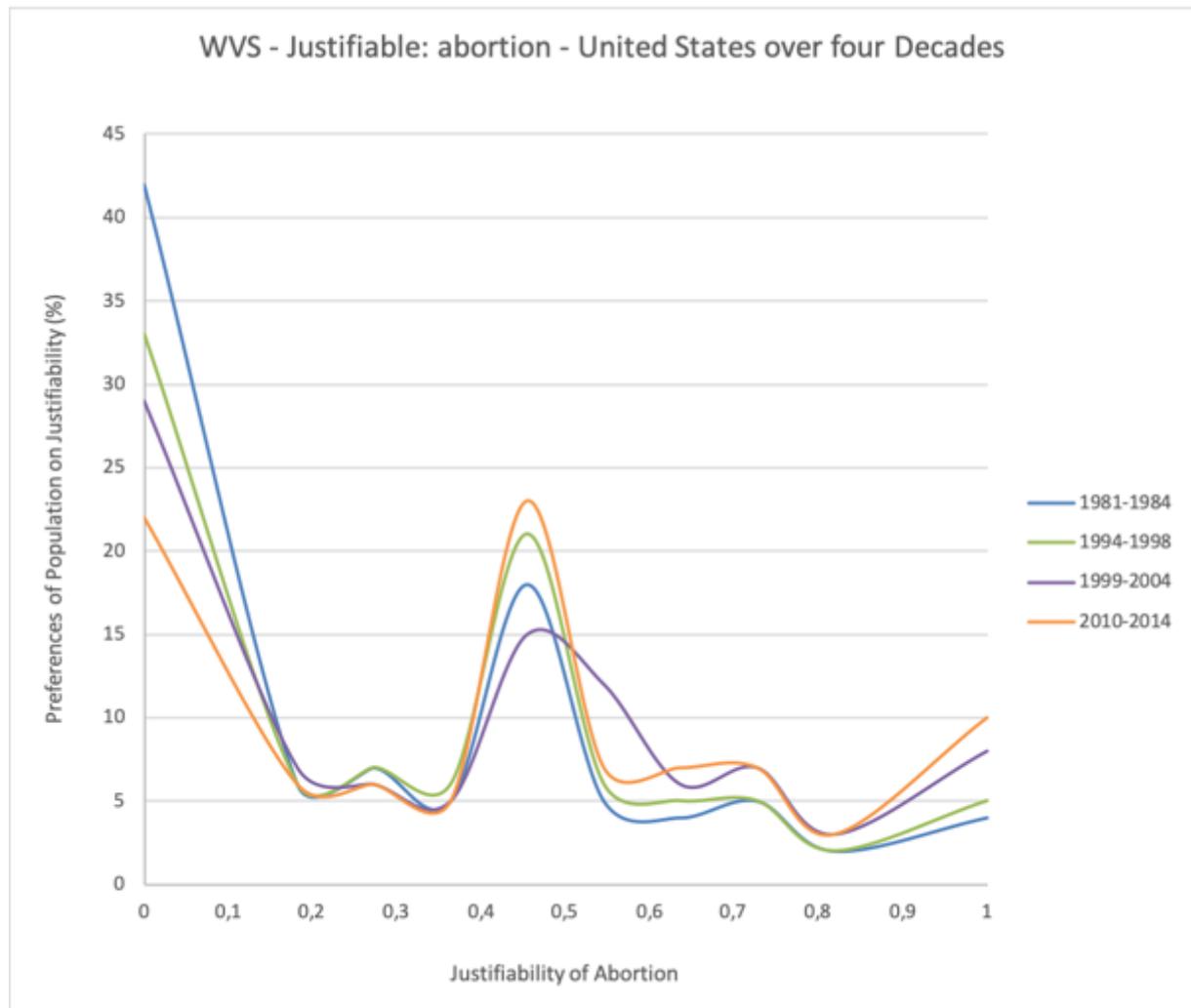


Figure 27: Justifiability of Abortion in the United States over four Decades (based on World Values Survey, 2019a)

Being an interest group in the States advocating, for instance, for women's rights of self-rule over their bodies, these results and such a transformation of society are worth a mint. They cannot only show that the market shifted towards the centre but moreover that nearly 35% in total and hence 15% more of the market share are, now compared to 1984, on the right half of the spatial area. Providing such knowledge to hospitals, clinics, and physicians that might offer such services could be promising targets as abortion is no taboo subject anymore. The outlook of a new legal market awaiting them could be enough incentive to intensify their lobbying investments on the first stage.

With the current, conservative Trump administration in power, instead of lobbying on a national first stage, alternatively chapters of the Union of American Physicians and Dentists (UAPD) could be a subject of interest to push the matter further on state level. Here, it is decisive to show sensitivity and select one or several states which did not yet legalise abortion but may have had intense debates or promising judicial decisions within the last years.

4.6.3 Justifiable: homosexuality

Canada legalised it, Finland legalised, Ireland legalised it, and about 25 other countries followed their example: same-sex marriage. Nevertheless, still not every country legally recognises same-sex partnerships or even allows homosexuality. Homosexuality has been seen as a mental illness and a sin for centuries with a variety of nations still following this agenda. As a result, homosexual people often have to deal with discrimination, fear sexual persecution, and in the worst case also prison or even death penalty.

Out of the six countries in focus of these analyses only South Korea has not legalised same-sex marriage yet. In the other five nations, nonetheless, homosexuality was neither always accepted according to the WVS-results on *Justifiable: homosexuality*; and still today there are remainders of the population which still consider it as ‘never justifiable.’ On average, this part of the population shrank from about 55% in 1984 to roughly 24% in 2014. Although being a significant decrease of more than 30 percent points, it is important to notice, that still about one quarter of the average population of these countries is not accepting of homosexuality to any degree (‘never justifiable’) despite it being not only legal but also having been equated matrimonially. In South Africa and the United States this percentage of the population is still at 28,1%, and 24% respectively. In South Korea – which has neither legal equality nor legal discrimination – this part of society is still the biggest with 42,2 % (1984: 57,9%) followed by the medium 5, thus justifiable to some degree, with 14,4 % (1984: 6,6 %). This is a development worth mentioning, while still today only 2,4% of South Koreans answered with ‘always justifiable’ which means a small 0,3% more than in the first survey wave 40 years ago. (World Values Survey, 2019i-n)

Sweden is said to be one of the most progressive countries with regards to homosexuality and LGBT-rights in general and surpassing its peers by many points. Already in 1944 sexual same-sex activities were legalised, in 1979 homosexuality was declassified as mental illness, and

after granting partnership benefits to same-sex couples already in 1995, same-sex marriage was permitted in 2009. (BBC, 2009; Van den Berg et al., 2014)

Figure 28 displays this development of social acceptance with ‘always justifiable’ – represented by the value 1 – steadily increasing throughout the decades to reach nearly 60% of the population in 2014. At the same time not even 20% gave a response equal 0,5 or lower in the sixth survey wave (2010-2014). (World Values Survey, 2019h)

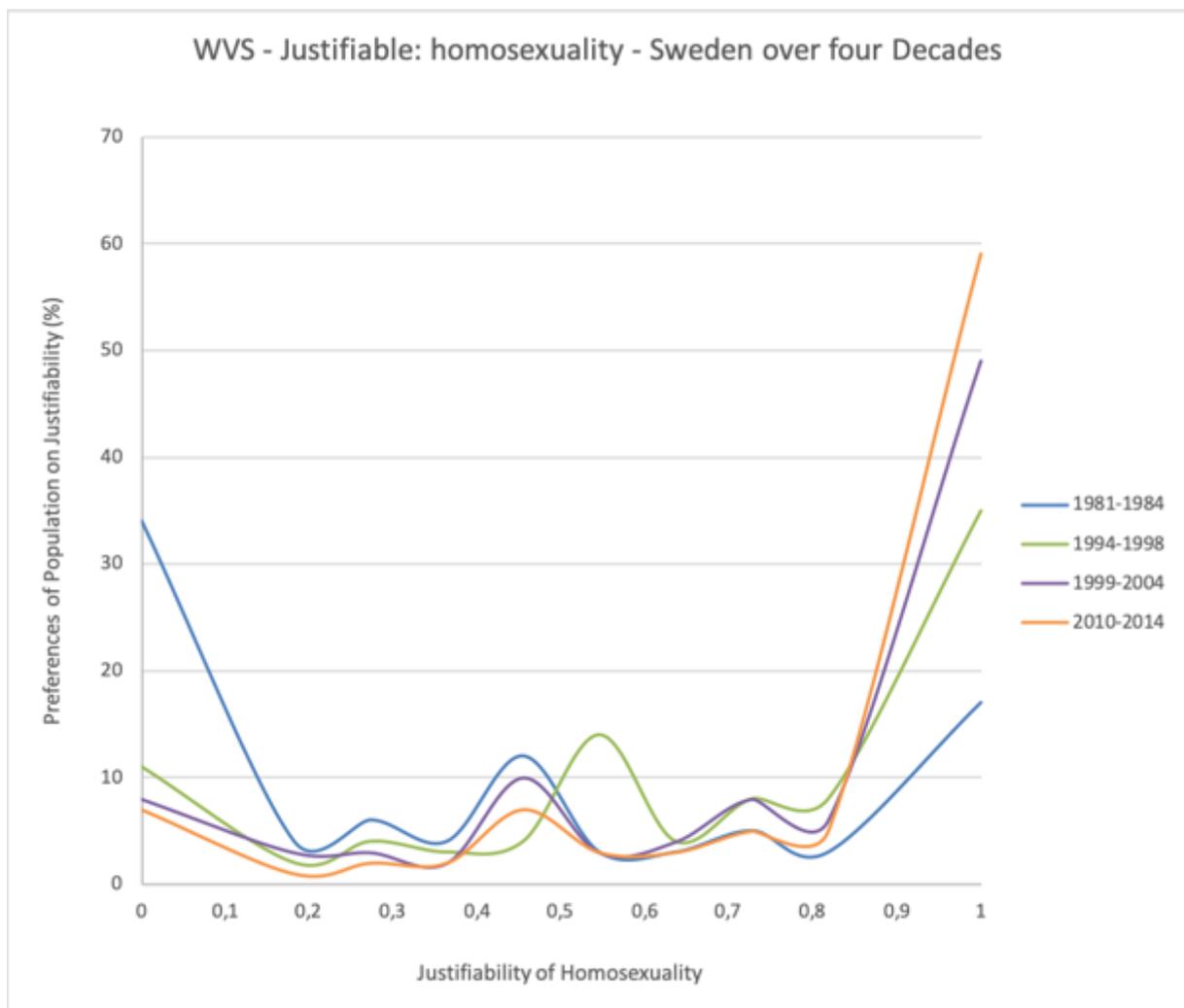


Figure 28: Justifiability of Homosexuality in the Sweden over four Decades (based on World Values Survey, 2019h)

Considering the status quo in Sweden, where legal equality of homosexuals has been achieved throughout the last decades, any public interest group showing interest in this matter can focus on legal nuances and the actual establishment of equality in daily life. This might include the presence in commercials and movies, sexual education at schools, representatives within

associations, unions and parliaments, and much more. With regards to film productions, marketing and broadcasting companies can be legitimate targets which might be interested in offering more attention and airtime based on convincing presentations of a growing target group.

4.6.4 Justifiable: prostitution

Prostitution is as well a matter frequently discussed in media and politics: Should it be criminalised? Should it be decriminalised? Should it be legalised? In case of being a crime, is it the customer or the sex worker committing a legal offence? In some country these questions have been already answered and solutions been found. Sweden, for instance, is prosecuting the punters for an illegal act, while the prostitutes are not committing any criminal offence. The Netherlands, in contrast, established a whole legal market aiming to ensure high security, hygienic, and health standards for all affected by enforcing binding rules. In other countries prostitution is per se illegal, although there is basically no state where it does not occur anyway. (Svanström, 2004)

Looking at the results of the World Values Survey (2019p-u) on *Justifiable: prostitution* in the six chosen countries, it can be seen that in 1984 there was a generally high social rejection of the matter. On average 56% stated prostitution to be never, and 2,5% to be always justifiable. Interestingly, in the second wave the ‘never justifiable’ rate increased in Argentina as well as South Africa – the only two comparable participants out of the six in this wave – to over 70 % but then dropped continuously throughout the late 1990s and early 2000s. Although the question on justifiability of prostitution was not asked in two of the six surveys, the remaining four results indicate a general increased acceptance, as 20 % less of the population than in 1984 reject the matter at all. The notable shift towards the centre is a decent but continuing one.

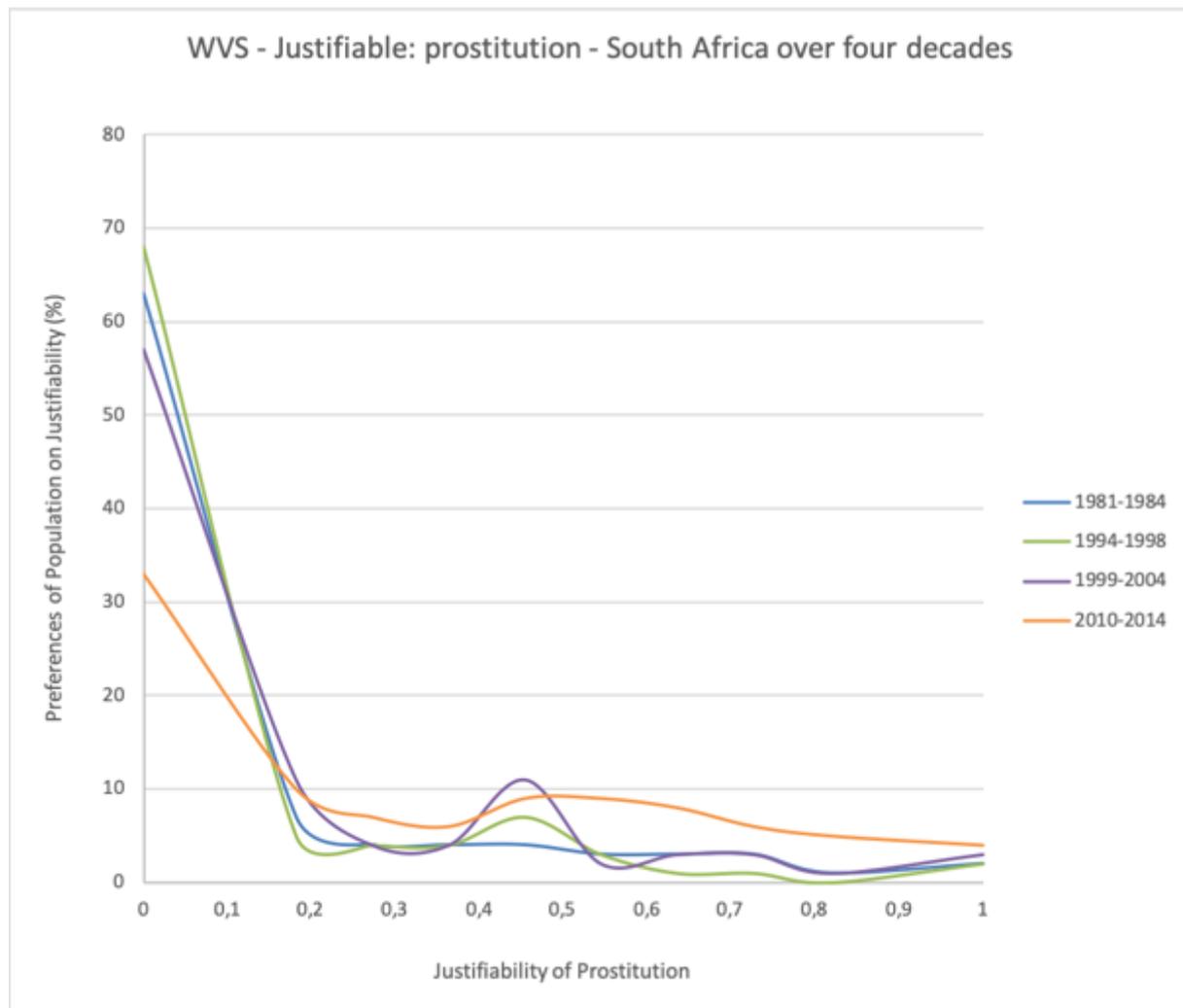


Figure 29: Justifiability of Prostitution in the South Africa over four Decades (based on World Values Survey, 2019o)

Here, South Africa is a valid representative of the described average trend. While total rejection was between 55% and 75% from 1984 to 2004, this part of the population decreased to 33% within the following ten years. These over 20 percent points of difference between 2004 and 2014 are now nearly equally distributed over the values from 0,1 to 1 holding 4% to 10% each. (World Values Survey, 2019o)

The moderation of the overall social attitude towards prostitution hence opens new market opportunities and allows a reallocation of market shares based on companies' handling and presentation of the topic. But it is not only companies who could be promising second-stage targets in this case, but also important international players such as the United Nations, WHO, World Vision, or even the police and armed forces, as prostitution in South Africa is accompanied by significant problems such as HIV, child prostitution, and human trafficking.

This situation could therefore lead to an interesting setup of brothel owners, pimps, and prostitutes – a group which failed to succeed with a constitutional change in 2002 (BBC, 2002) – lobbying public interest groups or administrative players on the second-stage. Taking the above WVS-information into account, these actors active in the illegal business could promote the outlook of a controlled prostitution market with higher health standards (decrease of HIV infections), registered, documented, and checked sex workers (hampering of child prostitution and human trafficking), as well as potentially higher tax incomes usable for police forces and general security measures.

4.7 Risks and Potentials for the Second-Stage Lobbyist

Despite all the potential targets based on social changes, the risks for a second-stage lobbyist to choose a suboptimal or even risk-holding subject are quite high as it will be shown in the following. This consequently could mean a misguided investment, which might turn out to be critical and problematic due to the often very tight available budgets: Firstly, as the high connected expectations in expensive and extensive activities might not be fulfilled. Secondly, which is even worse, the loss of credibility – the core asset public interest groups such as NGOs and social movements have (Gibelman & Gelman, 2004; Amagoh, 2015) – is a related risk to be considered.

Nonetheless, at the same time second-stage lobbying offers chances for interest groups in nearly every financial situation to act strategically, boost topics by using the leverage of strong players in the field. Hence, it is possible to overcome threshold gaps in society and/or let players with high financial resources pay for changes which allows a relief of the average organisational member.

The following subchapters will take several aspects, positive as negative, into account. As before the level of mathematical complexity will be held low. On the one hand this justified by the unfortunately missing empirical data in this field. On the other hand, it is first of all necessary to generate a basic understanding of the risks and potentials, show similarities to other disciplines, and to indicate potentials, instead of rising complexity straight away.

4.7.1 Striving for the Critical Mass in Case of Accelerating Production Functions

As a majority of public interest groups face a situation of ‘being stuck’, second stage activities could help to overcome potential personal threshold gaps and thus push the movements towards the critical mass until the bandwagon effect is entering. As shown before this domino effect is only occurring in the case of a matter having an accelerating production function; a setup valid for most of the (daily) collective actions as they have high initial costs with little ROI in the beginning but increasing ROI with rising participation.

Recall the former example of a group of 100 people unfortunately not having a uniform distribution of personal thresholds, but a random one with the first gap between 6% and 9%. Here, it can be assumed that, as far as the accelerating production function has not reached the critical mass yet, the movement is stuck at an unfavourable position. Hence, a push is needed to overcome the critical gap of four percent points. A second-stage lobbyist can aim to win a powerful interest group or movement for the own agenda, which can result in several possibilities of how the gap-filling might be realised:

- (1) The pure size and/or importance of the new supporter (second-stage target) might be perceived by the average person as a rise of 4%.
- (2) People or groups with a threshold of 10% or higher might have a personal relation to the new contributor and hence do not only assign 4% but even more percent points. This could be the case for employees of companies which are represented by the lobbied interest group. As their company supports the movement now, workers step by step could get attracted as their daily surrounding contributes to the movement. Same could happen to suppliers who do not want to lose a customer or also competitors who fear the target to gain a Single-Point-of-Sale – the movement’s goal – which could cause competitive disadvantages.
- (3) Even if the new appearance would be only seen as a plus of 1%, the new partner might offer selective incentives such as discounts for all members of the movement, which might lead to a recalculation of some thresholds and accordingly to participation. The fear of supply companies or service providers of losing contracts with the lobbied group can be seen as negative selective incentives.

Vice versa, there is also the risk of an exactly contrary effect in case of choosing the wrong target. As much as marketing campaigns may fail due to a scandal of a testimonial from sports or politics⁴⁸, second-stage lobbyists face the same challenge when deciding for targets as the current reputation as well as its development throughout time have to be considered.⁴⁹

Thus, current supporters may withdrawal from the movements as the selected and lobbied target might be a fantastic candidate on paper, but its reputation within the current contributor-society is so negative that a collaboration would end up in the complete opposite of the originally hoped. This is most probably the case when dealing with extreme situations such as a left-wing association lobbying a right-wing actor, or an anarchic group getting in contact with an ultra-capitalistic player. While such extremes could potentially result in a complete exchange of the member setup – in case the lobbied party would accept the offer –, targets with a mixed reputation could lead to a drop-out of current members due to a negative threshold-effect, but to gain of other new members based on the described positive leverages at the same time.

Examples could be companies such as Adidas or Nike, who are especially very popular within amateur sports due to their products and presentation of life style, but also receive a lot of critique from environmental and labour activists due to their production in cheap-labour countries and the related exploitation of the people in need. Thus, the wins and losses would have to be compared and a decision to be made accordingly; a relevant question to be raised is, if the choice of such a target can be justified for the sake of a higher aim (the collective action) or if it would be a complete betrayal of the represented values.

⁴⁸ As people of the public are often observed day and night, every possible action – even if it might be acceptable for the average citizen – might be seen critical and lead to a scandal. Consequently, actual illegal or suspicious activities are evoking even bigger problems and may turn a credible person into a ‘persona non grata’.

⁴⁹ The effects of a wrongly chosen targets on the own credibility will be examined in more detail in the subchapter 4.7.4 *The Danger of Losing One's Face*.

Recalling the earlier formula for target pre-selection⁵⁰,

$$p_n = \frac{b_n * w_b + m_n * w_m + r_n * w_r}{\mu * \sigma * \varepsilon * \rho}$$

$$\text{with } w_b + w_n + w_m = 1$$

$$\mu \in \mathbb{R} \neq 0$$

$$\sigma \in \mathbb{R} \neq 0$$

$$\varepsilon \in \mathbb{R} \neq 0$$

$$\rho \in \mathbb{R} \neq 0$$

a factor for reputation could be included as well. Again, as with the other factors, especially the deviators, the collection of usable and loadable data, for instance by mass surveys, might be expensive. Alternatively, expert knowledge could be used which, however, includes the risk of subjectivity.

4.7.2 Attracting Early Birds in Decelerating Production Functions

In case of a decelerating production function, where gains are big in the beginning but small when the movement comes closer to the critical mass, Oliver, Marwell and Teixeira (1985) point out the challenging situation, that people interested in a matter will contribute first. This might be appreciable in the first glance and no problem at all in case of sufficient contributors to accomplish the goal, however, it can turn out to be an issue when there is not enough interest by society in total.

As the highly-bonded supporters most probably even accept lower returns on investments, it is unfavourable to let them contribute first and leave the remaining fewer appealing investments of decreasing marginal benefit to those who are not attracted by the matter. The ideal setup, hence, would be to motivate the uninterested to early contributions, so that the interested people are available for the less attractive stakes.

⁵⁰ Reminder: b_n , m_n and r_n represent the available budget, ability to mobilise and political responsiveness of a target with w_b , w_m as well as w_r being the assigned weights of these three factors, while μ is an indicator of moral-driven, σ for group-size, ε for encompassing characteristics, ρ of a privileged group. The fictive assignment of the latter as divisors was simply to show the complexity of their inclusion in the target selection-process. A more detailed derivation of this formula can be found in chapter 4.4 *Standardisation of Targets for Pre-Selection*.

What might sound controversial – Why would one contribute if not being interested? – could be achieved by applying second-stage lobbying. This is possible as the lobbied target would be transformed from an originally uninterested into an interested actor willing to invest early. The remaining, mostly value-based bonded activists, who normally would participate early, are available to bear the outstanding, less popular costs for optimisation. Despite the present risk of distraction through the target, in a best-case scenario the actual contribution could so big, that it may even transform the whole setup into a privileged game with no further contributions to be necessary as the critical mass has been reached already.

Nevertheless, one has to admit, that such a situation is probably quite rare in reality. Such a strategy would have to be planned so much in advance, even before the actual movement started, as otherwise the citizens with low thresholds would have contributed already. Thus, the movement would have to be found by the coordinator only possibly being supported by a very small number of people so that there is still enough investment outstanding for the target.

4.7.3 Revealing Redundancy due to Similarity

Another aspect to consider is the similarity of groups. If both interest groups, the lobbying and the lobbied, roughly represent the same matter, a fair question occurs to donors as well as to neutral observers: Is there a need for two groups?

The higher the overlap – common sense would emphasise – the more organisations should merge, enable the creation of an even stronger player, as well as the reduction of overhead cost and wasteful maintenance activities. Such a scenario is particularly probable whenever one lobbies its own kind, meaning a public interest group lobbying a public one, as well as a narrow another narrow group as for instance unions; in contrast, cross-type-lobbying, when a public interest group lobbying a narrow actor or vice versa, such a setup is barely expectable as already the overall goal (profit versus social improvements) differs too much. It is easily and without mathematical proof to understand, that two groups fighting for the Amazon based on the love towards animals are easier to substitute and thus to merge than for instance such a group and a beer producer aiming to sell more products based on an eco-friendly image.

Thinking of interest groups as actors on a two-dimensional space with the x-axis representing the social matter and the y-axis the aim to make profit, it can be stated based on the earlier spatial analysis that a current or otherwise future overlap of interests in at least one dimension – for instance the social aspect as shown in detail – is of big advantage for the purpose of second-stage lobbying. A rising overlap, however, at the same time indicates an increasing similarity and thus at one point maybe even a redundancy. The exact calculation of such a tipping point is exceeding this work by far and will accordingly not be elaborated any further. Nonetheless, at least the offspring should be sowed and may inspire other scholars: The following illustration of such a two-dimensional space and overlaps might help to understand.⁵¹

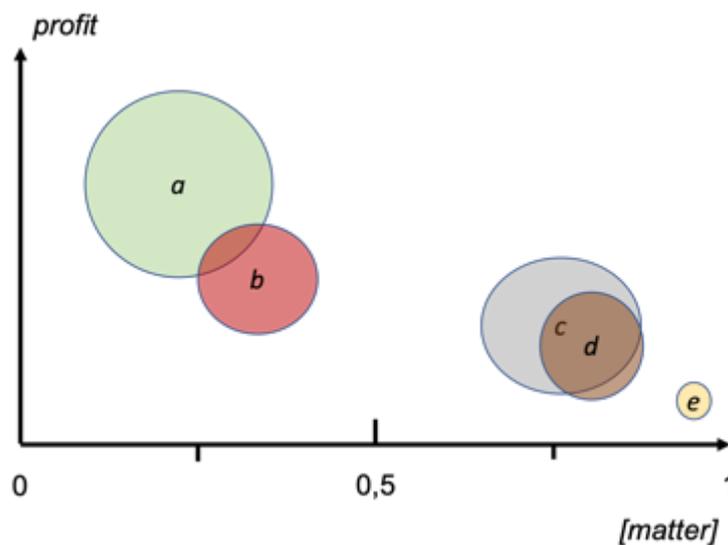


Figure 30: Simple two-dimensional profit-matter overlap model

Considering Figure 30, actor *b* might have some chance to influence *a*, while *e* for instance currently seem to have extreme views which are barely compatible with any other of the five players in the game. In contrast, *c*'s and *d*'s overlap is of such extent, that any second-stage

⁵¹ The given spaces, their circumference and location, could be the result of breaking down a n-dimensional model into a two-dimensional perspective. Thinking of a society's preferences on the matter – a dimension often applied earlier in this thesis – the presented circles can be understood as the three-dimensional cones seen from a bird's-eye-view alongside the third axis. Pursuing elaboration of multidimensionality will not be given within this work but can be found for instance in Mc Kelvey and Ordeshook's (1990) essay *A Decade of Experimental Research on Spatial Models of Elections and Committees*.

activity may raise the question of actual redundancy and an urge to merge as d is nearly completely covered by c .

Another time recalling the earlier formula for the target pre-selection⁵²,

$$p_n = \frac{b_n * w_b + m_n * w_m + r_n * w_r}{\mu * \sigma * \varepsilon * \rho}$$

$$\text{with } w_b + w_n + w_m = 1$$

$$\mu \in \mathbb{R} \neq 0$$

$$\sigma \in \mathbb{R} \neq 0$$

$$\varepsilon \in \mathbb{R} \neq 0$$

$$\rho \in \mathbb{R} \neq 0$$

as with the reputation of the target, also the overlap with the target can or probably even should be included with an own factor when applying the target-pre-selection-process.

While the consideration of overlaps on the one hand can help and lead to a potentially positive merger or a clear redefinition of the organisation's future goals, on the other hand it can also ex ante help to avoid uncomfortable questions respective a recommendable consolidation. Consulting the features of the free market, it moreover has to be understood, that merging may sound applicable on paper but will lead to organisational costs and challenges itself which have to be considered. Hence, it still might be justifiable to rather act as a second-stage lobbyist – and thus in a cooperative way – than making one out of two actors. Thinking of businesses, airlines lobby together, use code-sharing and have joint reward systems such as 'miles & more' but still act as competitors in other fields. Something comparable can be expected in the field of social movements and public interest groups.

With regards to mergers personal interests play role an important role as well. As much as politicians or managers have their own private agenda and life goals such as (political) influence, reputation and a proper salary, also interest group leaders have those (Jasper, Moran & Tramontano, 2015). Applying a consolidation would, hence, be irrational on a personal level, in case one of two leaders may fear losses in one of the mentioned personal categories. It is

⁵² For an explanation of the variables see footnote 50.

absurd and unworldly to assume, that being active in the humanitarian or social field does automatically imply not following a private agenda and constantly being willing to make personal sacrifices for the sake of society. Financially-strong and media-present organisations such World Vision, WWF, or Plan International are international multi-million-dollar players granting their CEOs, boards, and presidents far-reaching responsibilities and influences. As much as power and reputation games occur in the average company, they also take place in public interest groups and NGOs.

Accordingly, there might be a very thin red line between recommendable and valuable second-stage lobbying and the disclosure of the own redundancy – especially, when lobbying one of the own peers.

4.7.4 The Danger of Losing One's Face

Although an interest group might be a highly promising target at first sight, the intersection of target and second-stage lobbyist, as well the basic motivation of those two actors have to be looked at carefully. This is based on the possible backlash of the target's reputation and related to this the withdrawal of the lobbyist's current group supporters. Despite the former statement of revenue-driven groups being per se neither allies nor enemies, this analytical and theoretical perception does not have to be shared by all members or donors of a group. As a result, each target's latest approaches and public standing have to be observed and evaluated constantly.

Even so it was probably not an act of second-stage lobbying – at least as far as public knows – , Nike's 30th anniversary *just do it* campaign with Colin Kaepernick, probably the currently most controversial US-American sports figure, could have been a perfect example of a second-stage job. Thinking of a human rights group fighting for equal treatment of Latino and Afro Americans as well as the right for free speech, they could have presented Nike a simple idea and deal: Promoting a controversially discussed figure – hated by the ones and loved by the others – who 'takes a knee' against discrimination in US society as campaign flagship in 'exchange' for media attention as well as a rising product sales and stock values. The additional radical and conspicuous differentiation from competitors such as adidas, Reebok or Under Armour could be even developed further to 'the sport brand of all Americans' independent from race and colour.

Already the plain idea to pick Kaepernick as the main face and some rough scenario calculations could have been enough to attract first of all the company's marketing and sales department, as well as later on its management. In this case it was probably an inhouse idea or a marketing firm made quite a good deal, but it also could have been a second-stage lobbyists aiming to bring the biggest possible attention to the problem of racism and discrimination in the United States.

However, in case a second-stage support would have come to public, there could have been an outrage about the sanctimony of the public interest group itself for lobbying Nike: on the one hand claiming for human rights and equality but at the same time supporting a multi-billion dollar company for free and giving them the chance to make even more money out of underpaid workers in developing countries.

Calling back to mind that in general a good public reputation and the resulting credibility are the most valuable asset a public interest group can have, the application and to a certain degree trade-off of this credibility for gaining power through a third party has to be thought through thoroughly. This is valid on all levels of second-stage lobbying such as giving certificates for certain products as WWF does, member benefits granted by certain partners in exchange for the usage of a group's good name in media, but also already any hidden consultancy as there is always a risk of being discovered. This risk, however, is also present on the first stage with popular and well-known decision makers always being a stone's throw away from the next scandal; hence again, it is more a matter of general risk-management and due diligence than a second-stage specific problem. This underlines the importance of reputation being a factor to be included in the target selection as mentioned before.

As a consequence, a public interest group being involved in second-stage activities should consider up to which degree discussing the own activities in public is beneficial and, in case of high or even full transparency, to be prepared for all kind of backlash. Facing this risk proactively by giving media announcements on upcoming campaigns – all in line and agreed with the target – might be a recommendable step to avoid uncontrollable extents.

4.7.5 Second-stage Lobbying: A Financial Investment with Uncertain Outcome

The basic assumption is, that every interest group which can finance activities extending maintenance, can also finance second-stage lobbying as it does not differ – at least not money wise – on which stage to invest. Accordingly, existing resources can be used and reallocated from the first to the second stage. Nonetheless, not all free resources have to be used for the second stage but should be assigned in accordance to the actual philosophy of the organisation and the thus developed strategy-mix. As shown in detail before, different forms of lobbying – direct and indirect – can work together, so there is also no reason to assume first- and second-stage lobbying are incompatible but can be considered as complementary and rewarding (Oliver, 2015).

However, the idea of easily using the resources, networks, and the power of someone else to promote the own matters sounds too appealing to be true. Indeed, it is a very complex undertaking and as for regular first-stage lobbying also the second stage requires experts in the field, people with the necessary contacts, and for sure something to offer in exchange. Moreover, considering all the above-named potentials and risks, there needs to be awareness of potential consequences in case of failure – despite all possible preparation and precaution. Second-stage lobbyism, hence, can be seen as an investment without guaranteed success as even sound incentives for the target do not automatically result in the wished outcome. Although a second-stage lobbying relation cannot be totally equated with a contract, one might think of the principal-agent-problem: the presented scenarios might result in an action, potentially also in the intended direction, but still in the end it is up to the target how to use the new knowledge and how to implement the change in detail. This might lead to deviation from plan to actual initiatives.

Considering all of this, second-stage lobbyism is a case-specific setup and actions need to be planned thoroughly: firstly, the second-stage measures such as providing business plans have to be attractive to the target. Secondly, possible first-stage activities have to be in line with the second-stage. Critical media campaigns, marches, or social media activities which could damage the target's reputation, are not only harmful to the mutual trust, but also to the own goals as the lobbied can be seen as an investment. Vice versa, such actions can be used in parallel to raise attention to the collaboration in place and push the matter even further. Additionally, in case the second-stage lobbyist is also still active as a direct first-stage actor,

both, the lobbyist and the target, could create pressure on a politician from several sides and thus evoke political actions as well.

Including this all within a financial validation, second-stage lobbying is not anyhow more or less risky than the alternative of first-stage lobbying or any other investment which is pending on another one's decision. As on the first stage, money per se does not mean success, but it is the combination of choosing the right target (one which has the potential to change) and promoting a topic in the right way (speaking the target's language; heresthetic as Riker would say). These two elements are hardly generalisable but need to be examined case by case and still, as with every investment, even the most sorrow planning contains remaining risks which cannot be covered or even be thought of at the starting point.

Hence, the requirements concerning second-stage lobbying are not anyhow differing from such of a project or any other business evaluation. It is a matter of proper planning and preparation to be expected from everyone else dealing with money and holding responsibility as well. Thus finally, the risk or better said the challenge of second-stage lobbying is to guarantee the level of required professionalism despite not all involved members of the interest group automatically being professionals in the field.

4.8 Risks and Potentials for the Target

In contrast to the lobbyist, the target is in a more comfortable position and thus its situation will be portrayed in a shorter way. Simplified said – a certain economic due diligence assumed –, a target cannot lose but only has the outlook of more power, more influence, and more money – facilitated for free by a third party.

4.8.1 The Comfort of being Subsidised

Recalling Hall and Deardorff's (2006) theory to consider lobbying activities as a legislative subsidy but not as trade-off for the target, the same can be assumed for a second-stage target: any activity is first of all a free consultancy which can but not has to be transformed into action. There is no harm or any risk to simply listen to the idea of the second-stage lobbyist, ask questions and get to know as much information as possible. All morals aside, the smartest thing one can do in case such support is offered, is to squeeze the counterpart out as much as possible,

to take advantage of it and widen the own horizon. Even if not agreeing or being convinced by the other's suggestions and plans one will get to know other actors in the field better and learn about their goals – simply by meeting and listening.

Second-stage lobbying, hence, has the potential to give the target new impulses and bring the focus on approaches or strategies, which the lobbied interest group either would not even have thought of or would not have been willing to invest money on in the first place. As described by Hall and Deardorff, the actor receiving subsidies will potentially reprioritise which may result in former unimportant topics being pushed into spotlight. Depending on the thoroughness and level of detail the second-stage lobbyist could deliver, there still might be outstanding work for the target. However, when thinking of requesting such a pre-evaluation from external consultancies or marketing companies, the bill can be assumed to be in the tens or even hundreds of thousands. In contrast, the second-stage activist delivered for free.

Particularly in times of social change – bringing the World Values Survey's (2018) results and findings back to mind – any interest group, especially in developed countries, should realise peoples' general shift of interests from employment and physical security towards self-expression as more and more countries can guarantee the survival values up to a certain degree. Although this process is still in its very beginning and developing slowly, current trend analyses forecast a boom at one point and interest groups – business as well as public ones – which do not pay attention to it will sink without a trace. Second-stage lobbying is a free-of-charge consultancy for the target to avoid missing out such social developments.

Certainly, the lobbyists presentations and calculations might be biased and euphemistic to some degree based on the own agenda⁵³, but as with every other potential investment it is with the management to apply the necessary due diligence, cross-check the numbers, validate the given sources, compare short-term losses with long-term incomes, do back-up checks on the lobbying organisation, so forth and so on. Thus, per se there is no bigger or smaller risk than with any

⁵³ Despite the actual, possibly extreme own organisational goals, it is not advisable for any second-stage lobbyist to lie or falsify data. Nevertheless, promoting the own expected scenario more intensively while playing down others is normal business behaviour as long as information is not purposely kept secret. Again, a social movement's credibility is its most valuable asset and thus active manipulation is not only bad for the actual target-lobbyist-relation but may also cause overall problems.

other potential new strategy. As the decision to be made is still with the target itself and not with the one who lobbied – simply listening does not imply any binding action – with regards to autonomy and self-ruling there is no risk.

The further development of interactions based on lobbyist-target-meeting is then subject of professionals in the field: Does it make sense to include the lobbyist? Will there be an actual contracted-out cooperation? Does this consultancy have to stay secret or can it go public? At what time and which circumstances?

4.8.2 Avoiding the Wrong Second-stage Lobbyist

Thinking such questions through, only the lobbyist's reputation can be seen as a risk being related to the second-stage lobbyism from a target's point of view. All economical aspects as mentioned before do not differ from the ones of any other investment. As much as the lobbyist has to ensure the credibility of the target as well as trying to find all potential 'dark secrets' in advance, as much has the target do the same.

As media uncovers impressively these days also humanitarian organisations are not free of failure and human mistakes – despite all the positive attitude towards society and the socio-political change they want to cause: WWF is said to finance violent paramilitary troops and lying about support of the indigenous to achieve their goals according to the latest BuzzFeed investigation (Baker & Warren, 2019a; b; c), Oxfam covered the newspaper headlines in February 2018 with a sex worker scandal in Haiti (BBC, 2018), and Amnesty International is blind for the work abuses in its own organisation while advocating for human rights globally (Ratcliffe, 2019).

While the above might still be considered as a result of personal human failure, general reputation of organisations can be investigated upfront to avoid any damage to the target. This can be for instance extreme political agendas, on left and on the right, (not) fighting discrimination and racism, but also clan cultures and cults or conspiracy theorists. Independent of any personal value, extreme positions tend to evoke public attention more intensively, and consequently it is with the target itself to see if the lobbyist will be of benefit or damage for the own goals.

A sports good manufacturer may actually tolerate or even promote the collaboration with a right-wing group in case its main target group and customers might be right-wing hooligans – a market which should not be underestimated. Vice versa, a manufacturer who is aiming for the median family and amateur athlete should avoid such a support in case it wants to stick to such customers as the company's reputation would change due to the (public) interference of the second-stage lobbyist.

Taking all of this together, as much as a second-stage lobbyist can invest in the selection of optimal targets, targets could do similar vice versa and apply mathematical approaches as introduced within this paper. As usual, the question of importance is in which situation and for which kind of target such investments are worth it. Points which might be relevant for follow-up investigations extending this work.

4.9 Examples

As pointed out in the previous chapter, second-stage lobbyism requires a professional attitude of the second-stage lobbyist. This does not automatically mean, that only actors with enough financial resources can apply that strategy – otherwise it would bring no real benefit to smaller interest groups as claimed initially – but that professional thinking is needed such as understanding complex situations, covering different scenarios, reading the other one's mind or thinking out of the box. Certainly, it would be helpful to hold all such skills already within the public interest group, but as with a start-up it might be sufficient to have a brilliant idea and the skill to promote it properly to one who holds the other skills.

The following three examples, one real, one semi-fictive and one potential, show how second-stage lobbyism can or could work with small, but also bigger available financial and human resources. As already mentioned before, it is worth to remind, that these examples are for now not empirical data-based – as such data is unfortunately not yet completely available for the whole scope of second-stage lobbyism – and thus only giving a rough but not exact picture of how it is or could be. They should accordingly be considered as illustrative and inspiring setups but not be treated and challenged as thorough data-based case studies.

4.9.1 American Economy & the Elderly

The following example shows how an initially small welfare organisation could turn into a thirty-seven million member-strong non-profit⁵⁴ focusing on the needs of the elderly within the United States and having a non-ignorable position in American politics thanks to representing over 10% of the country's population (Lily Liu, 2013).

In 1947 the former teacher Doctor Ethel Percy Andrus found a welfare organisation named National Retired Teacher Association (NRTA) with the aim to ensure health insurance after retirement and to promote her idea of 'productive aging'. Recognising the need of such measures for comparable fellow groups as well, she expanded her association to all American pensioners and established the American Association of Retired Persons (AARP) in 1958. Within both organisations she "pioneered marketplace solutions to help older Americans stretch their dollars and improve the quality of their lives, such as affordable group health insurance, a discount drug-buying plan, and a travel service" (Walker, 2018, p. 5). (National Women's History Museum, 2019)

So how did these marketplace solutions look like?

As with basically all groups, vulnerable or not, the main question is how to present them when talking to potential supporters and donors. As elaborated in detail before, the answer to this question depends on the motivation of the dialogue partner, namely value or profit. With the AARP also having a foundation subsidiary there definitely is effort to attract value-based donors as well. Nonetheless, for market-based approaches, focusing on profit-based supporters or better said targets is of higher benefit in light of second-stage lobbying.

⁵⁴ There have been claims by several investigative journalists, especially Andy Rooney in a 1978-release of the TV-show *60 Minutes*, that the AARP was in no way a non-profit but actually soon after its founding controlled by a business mogul only trying to sell products by influencing third parties, politicians as well as other businesses (Krugman, 1990). Furthermore, there were in the end inconclusive US Senate investigations with regards to the AARP's non-profit status, amongst others due to its appearance as an actively involved marketing operator (Blahous, 2000). Despite its public controversy, the AARP remains a blueprint example of successful second-stage lobbying as it will be shown within this work – either as a value- or profit-driven actor.

Although the total number of retired or later on elderly in the early days of Andrus' organisation(s) were by far smaller in comparison to the one nowadays⁵⁵, she realised the potential of such a group: the power of uniting up to 25% of the population and the interest of businesses to capture such a target group. So, whomever she talked to, she simply could have said 'We are 25 % of the population. We are more than 33 million people. We all could be your costumers. But therefore, what can you offer us?'. Especially in the first days Andrus as well as her counterparts knew, that she is by far not representing 33 million yet and that this probably will never happen as not every elderly will join the AARP. Nonetheless, it was an outlook, impressive numbers she could present, as well as a best-case scenario she could play with and use for her goals.

Recalling the introduced means of second-stage lobbyism she first of all presented numbers and scenarios how the status quo could develop. As a next step it was necessary to ask how a business attracts elderly right now, how it could gain supremacy within this target group, and what actions would be necessary. Contacting proper targets – a sound pre-selection process assumed – of every relevant American industry, she soon seeded her ideas within the whole US economy with some of the offsprings probably growing faster (mutual agreements and membership benefits) and others slower (occasional special offer for elderly or general discounts without a signed deal).

Converting these words in to a spatial model, the x-axis would represent support of elderly with 0 being actual discriminating the group and 1 being totally supportive. The y-axis could either be chosen as the preferences of the overall population or alternatively also only as the subset of elderly. Sticking to the first, in the beginning, when no actor was actively engaging for old people the normal distributed population would be randomly distributed to all actors which located around the centre. Thus, the whole market share would be a split of the integral pending on the number of players p .

⁵⁵ The United States Census Bureau (2012) stated a total population of 132,2 million people in 1940 (2010: 308,7) and a 19,8% subset of 45-64-year old as well as a 6,8 % subset of 65+-year old (2010: 26,4 %; 13,0 %) which counted up to roughly 33 million potential AARP members and beneficiaries (2010: 121,6 million).

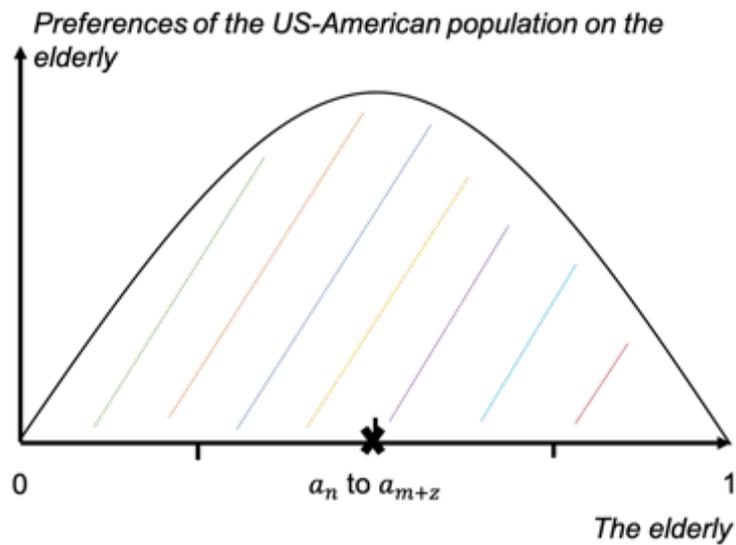


Figure 31: The elderly - (1) mixed market

$$\pi_{a_n} = \int_0^1 f(x) / p$$

Being the one player actively supporting the elderly and going for a reallocation between 0,5 and 1, all customers in the right-hand hinterland would purchase at this player as well as half of the distance of new location and centre.

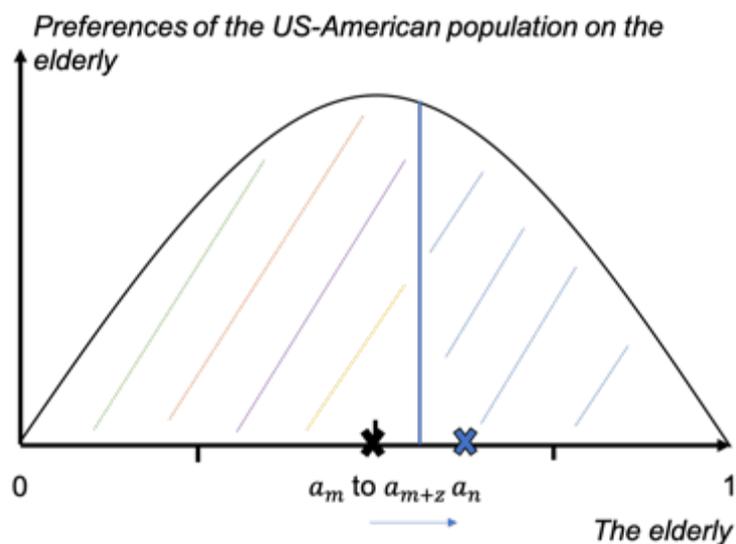


Figure 32: The elderly - (2) one actor having specific offers

This move is worth it for a_n if the new market share exceeds the old one plus the reallocation costs or by applying the earlier developed formula,

$$\text{iff } \int_{1/2[0,5;a_n]}^1 f(x) > \int_0^1 f(x) / p + c_n$$

Including future trends, it could be said that the forthcoming population will develop a skewness towards 1 as demographic forecast show an obsolescence of society with more people being old or having older family members, they may for example buy groceries for. Thus, the main target group (elderly), but also a bounded secondary target group (caretakers and family members) prefer support of the elderly, which again would bring more incomes.

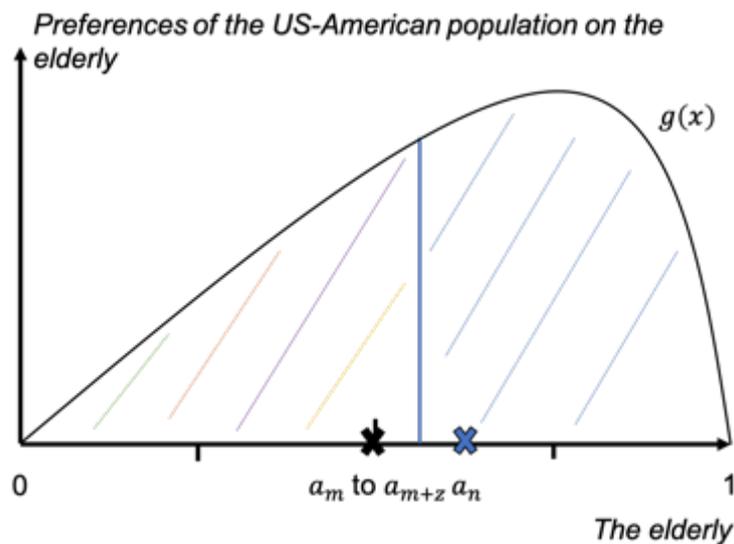


Figure 33: The elderly - (3) Obsolescence of society

With the AARP being a second-stage lobbyist, every additional target joining the movement helped to promote the matter even better and creating new lowest standards as more and more enterprises at least offering some benefits to avoid losing all (senior) customers to the competitors. Nowadays the organisation’s homepage appears to be an online bazar with offers in all possible fields such as health care, tax and employment consultant, travelling, nutrition, fraud prevention and many more – in English, Spanish and Chinese (AARP, 2019).

Taking this development as a blueprint, it can be shown, that there definitely is a chance to develop from a small organisation with originally limited budget, to catch attention and thus gain financial resources as well as political power oneself – all by realising the own potentials, promoting them attractively, and based on this realising leverage effects through attracted targets.

4.9.2 German Trades & Asylum Seekers

According to the newest study *Immigration and Digitalisation – How much immigration from non-EU-member countries does the German labour market need?*⁵⁶ (Fuchs, Lubitz & Schneider, 2019) by the Bertelsmann Stiftung, Germany needs an immigration surplus of about 260.000 people every year until 2060 to balance out the own ageing population and their absence on the labour market. While the number of EU-immigrants still might be stable in the beginning it will be retrogressive year by year due to rising standards and living quality in the other members states. Thus, arrivals from non-member states are needed more than ever before.

Although this overall outlook gives German politicians and industries still time to act and prepare the labour market in general, nonetheless, some industries, especially the once strongly relying on the apprenticeship system, face already now permanent problems to find young employees. This is based on three general reasons: Firstly, the academisation of the German labour market with a majority of young people striving for high school and university diplomas. Secondly, related to this, the missing appreciation of the jobs and the lack of adolescents joining the labour market at all: in 2017 for instance, officially 150.000 trades positions stayed empty with the actual numbers probably being around 250.000 as enterprises simply being too frustrated to report all open positions; with about 20.000 vacant apprenticeship positions also future trades generations are already now in danger. Thirdly, governments pushing this trend constantly by requiring higher education and ignoring the needs of the fundamental industries such as trades but also for instance caring. Although the integration of refugees into the labour cannot solve the systematic causes of the situation, it can at least help to alleviate the current symptoms and be an important element of the future as the umbrella organisation of German trades Zentralverband des Deutschen Handwerks (ZDH) states officially. (ZDH, 2018)

⁵⁶ The original here translated German title is *Zuwanderung und Digitalisierung - Wie viel Migration aus Drittstaaten benötigt der deutsche Arbeitsmarkt künftig?*.

Being a second-stage lobbyist such statements are door openers, which probably were already used by human rights and welfare organisation throughout the last years and which probably still will be used in the future to rise the number of residence permits and simplify the processes of working permits for refugees in Germany – especially, the ones which came and still come due to the ongoing refugee crisis in the Middle East.

While the ZDH more or less promoted itself as a potential target, other organisations such as the Association of German Chambers of Commerce and Industry (DIHK), but also specific industries like car manufactory with big actors like Volkswagen, Mercedes and BMW could be interesting objects of second-stage activities. An additional important aspect for the selection process, next to budget, mobilisation, responsiveness, overlap and others, would be the question of pain: Which specific trade is currently in the biggest need of new employees?

Hence, when talking to the target, refugees and asylum seekers are not presented as a vulnerable group which needs help and financial support, but as potential apprentices which may even already have work experience in the field based on their former job in the country of origin. Country-specific studies and pre-war reports could help to underline the skill level and possible fields of application. Converting these aspects into a spatial model, the x-axis could be need of apprentices, the y-axis the preferences of the population on applying for an apprenticeship. In contrast to the example before, it is not about consumers buying products at one's company, but in population going for an apprenticeship. Taking the current trend of academisation in Germany into account, the population is not normally distributed, but already strongly skewed towards 0, indicating low interest in apprenticeships.

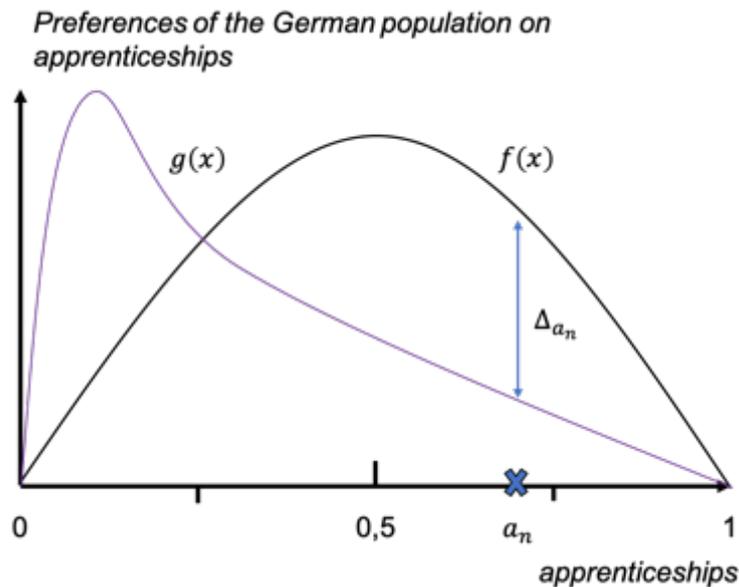


Figure 34: Asylum seekers - (1) Academisation of society

A player such as a_n who depends on apprentices – accordingly the allocation close to 1 – suffers under a serious shortage of potential applicants which can be represented as the in Figure 34 highlighted differences between the former normal distribution $f(x)$ and the now present disinterest $g(x)$ at the point a_n :

$$\Delta_{a_n} = f(a_n) - g(a_n)$$

A rising number of residence permits, and in a next step working permissions for refugees, would first of all increase the total volume of the integral as at a peak time 1,5 million people were seeking asylum in Germany with a declining but still relevant number every year. Importantly, this population surplus is in contrast to the old population strongly interested in apprenticeships which could be based on earlier jobs in trades, the missing acceptance of foreign higher education diplomas, or the pure interest to get any employment as it improves the probability to stay and rises the living standards. This contrary interest creates in the best case a second even though smaller peak or maybe better said bulb close to 1.

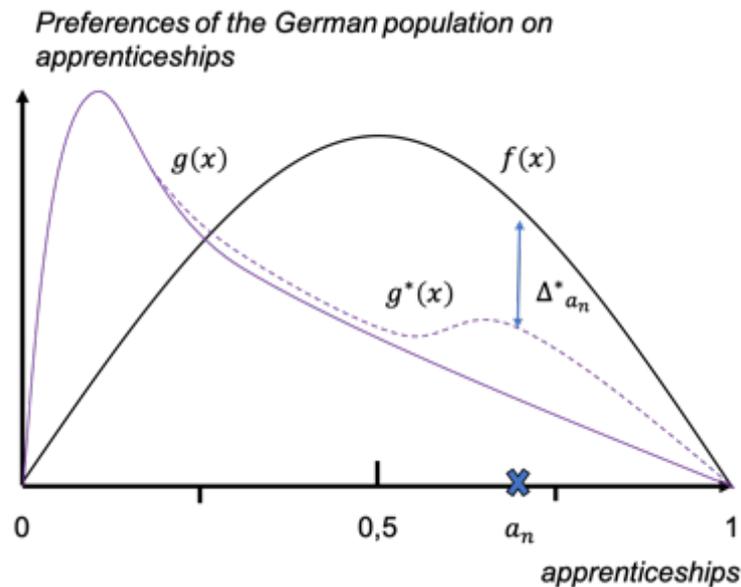


Figure 35: Asylum seekers - (2) Changes through permitted asylum

Thus, being an actor in high need of apprentices, it should be one's interest to bulge this second arch and so minimise the delta $\Delta^*_{a_n}$ as much as possible based on the adjusted function $g^*(x)$.

Here, a second-stage lobbyist can help to firstly rise awareness for the unfortunate situation of the player and secondly right away offer possible measures such as general appeals towards the government but also develop potential programmes such as mentorships, social partnerships, and language tandems which allow a quicker integration of the asylum seekers into the own business. Thirdly, the latter has the additional surplus to show politicians, that industry and society are ready for the acceptance of the new arrivals but that it is only them, the parliamentarians, who fail and stop the development of something the whole country is benefiting from – rising pressure which then can then again be used by a public interest group on the first stage as well.

Within the trades industry both earlier mentioned umbrella associations as well as smaller organisations nowadays lobby in favour of asylum seekers and for less bureaucracy, easier applications, faster but also standardised decision-process to avoid regulatory arbitrariness. 'Ausbildungsduldung', the allowance to stay in Germany when having started an apprenticeship, as well as the '3+2-Modell', a model guaranteeing at least two additional years of work experience for an asylum seeker after the apprenticeship, are already now two political

core appeals by German trades associations⁵⁷ – a success which can also probably partially be attributed to public interest groups and their second-stage activities. (Handwerk.Magazin, 2019)

Reflecting this example, the multi-dimensionality, complexity and possibilities of second-stage lobbying can be seen. Firstly, as the activities themselves for instance not only help to create more pressure on the first-stage but also as they additionally could be pushed by the lobbyist on the first stage with outside lobbying activities such as (social) media campaigns. Secondly, based on the available budget of an interest group small- and middle-size craft enterprises could have been contacted and influenced, which then use their voice within the umbrella associations. However, also such associations themselves or major players such as Volkswagen could directly be charming targets. Finally, also the means can vary from pure creation of awareness – the possibility to decrease the apprentices-shortage by refugees – to working out proper business plans and integration programs in collaboration with the target and other organisations.

4.9.3 Nestlé & the Environment

At last, also the food manufacturer Nestlé will be used, as announced before, as an example to show how second-stage lobbying could be designed and could work. Throughout history the Swiss company went already through a variety of food scandals with the unethical promotion of breastmilk substitutes in the 1970s being one of the most popular which resulted in worldwide boycotts supported by powerful religious and non-religious public interest groups. Still until today, the Nestlé controversy is ongoing with the company being at the same time one of the biggest and most successful food producers on the one hand, but one of the most hated and boycotted actors on the hand. The list of activists' claims is long including child slavery – especially related to cacao plantations –, the strategic hindering and ignorance of worker unions, the extensive use of palm oil as well as the related measures such as rainforest-cutting, and finally the exploitation of natural water resources to the disadvantages of basically everybody but Nestlé. (Smith, 2015, Schierack, 2018; Shimo, 2018).

⁵⁷ Similar can for instance be recognised within in the German health sector especially with organisations such as the German Red Cross (DRK), Caritas, the Maltese and others often being the employers in need and the humanitarian organisations lobbying for faster and easier integration at the same time. (e.g. DRK, 2015; 2019)

Considering the current market situation, Nestlé is not the only company applying such measures and having to deal with public claims and even organised customer boycotts. Nevertheless, due to its size and fields of activity it is uniting all those critical actions and claims in one enterprise. Market mechanisms, investors' expectations of higher margins, and customers' wishes of lower prices lead companies to the constant need of cost reduction – often with the weakest in society being the ones exploited the most. It is simply wrong to say a company has to join that vicious game to stay on the market; at the same time, it is the easier way to take from those which cannot defend themselves instead of investing in extensive rent-seeking processes and innovative products which may not succeed. However, it is also too easy to blame only companies or refer to the invisible hand of the market – especially as the latter does not exist. Every consumer is able to make an active decision and pay a higher price for a less-burdened product and thus influence companies and consumer patterns in general.

While society currently in average still tends to prefer not to do so – otherwise there would be no point in writing about the issue –, there is only small need for companies such as Nestlé to adjust their practices so far. The uprising number of protests, boycotts, documentaries by public and private broadcasters, as well as social media guerrilla campaigns and hashtags such as #noNestlé or #boycottNestlé underline the earlier already mentioned results of the World Values Survey (2018): people more than ever before question and challenge the status quo as well as aim for higher goals than pure survival and material security, but strive for justice and equality.

Thinking the current trend through, even powerful companies such as Nestlé have to face drastic and notable profit cuts caused by boycotts and changing customer behaviour. Transferring for example the company's current procedures of winning, bottling, and selling potable water into a future scenario of a more critical and active society, retail as well as wholesale customers will turn away from the company. This is so, as pumping water from nature reserves, intentionally ignoring local communities' rights, or actually using more water to produce a plastic bottle than it actually will contain later – all typical complains with regards to Nestlé's water business – will be accepted less and less by people who search for the meaning of life in values and moral. Thus, the company is dealing with a social change which could cause sale drops first in industrialised and later in developing countries.

Illustrating this in a spatial model, the current population of any country might currently be neutral (Gaussian distribution) or slightly already skewed towards ‘being actively interested in environmental topics, climate change and human rights.’ With public figures like Greta Thunberg appearing and creating awareness in uprising generations, this skewness will proceed within the upcoming years and decades. This accordingly would mean massive losses for Nestlé, currently located between 0 and 0,5 potentially even between 0 and 0,25, as it can be read out of the graph. As a result, instead of the currently big market share (red-striped area) it will shrink down (red-tiled area) as less and less customers go for Nestlé’s products due to a more conscious and environment-based decision.

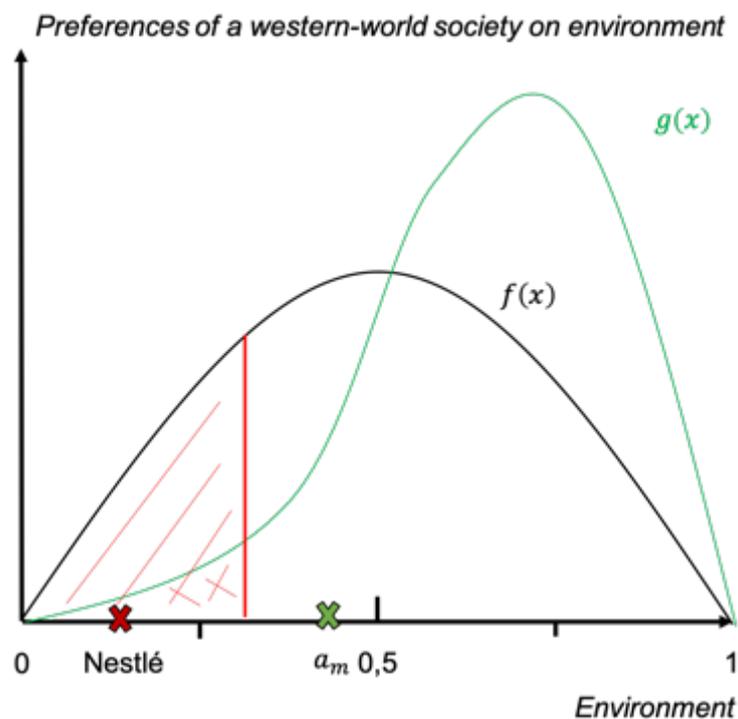


Figure 36: The environment - Potential future scenario for producers such as Nestlé

Thus, maybe already now but latest within the next decades, there are high chances for second-stage lobbyists to influence Nestlé’s water business with regards to environmental issues as basically every campaign such as reforestation, the avoidance of nature reserves, guaranteeing a specific groundwater level, or no pumping of water during drought periods would be positive publicity that may satisfy a future, more conscious customer.

An extreme activist and hardliner might say that subsidising and helping a capitalistic giant such as Nestlé to keep its business alive is actually the worst thing one can do. For sure, that claim or worry has some reasoning. Nevertheless, as explained before, second-stage lobbying has to be seen as one mean of many within an interest group's tool box. Parallel campaigns, even by the same or other interest groups active in the field, will create even more awareness, which will again create more pressure on the companies as well as politicians. It is important, to have an own playbook and strategy when starting to lobby such an economic heavy weight: It has to be answered in advance, how such a decisive plan will be financed, which other organisations and movements may support through first-stage activities, or how the activity will be explained to the own supporter base.

Comparing the three addressed examples, the Nestlé one can be considered as the most complex as the social change will take several years or even generations. Moreover, an economic heavyweight such as Nestlé will have a high pain threshold due to its solid and diverse multi-asset and product structure. Small successes, however, can be achieved step by step and result in a change of the whole industry as Nestlé's activities will always cause follow-up actions within the peer group due to its market power. Any rise in standards with regards to the environment or human rights will be noticed by competitors raising the question, if it is sufficient to only follow or even outperform with the aim to equalise Nestlé's market power by higher normative standards. Either way such a process will boost the cultural change and always set new lowest acceptable bars. Hence, underperforming on the adjusted moral scale will in the long-run result in smaller market shares – a best case scenario assumed.

Nevertheless, already scenarios deviating from the best case may cover sufficient positive incentives for a public interest group to apply second-stage activities even on a powerful actor like Nestlé. Dealing with such a heavy weight, its strength through size might also be its biggest weakness as society might change too fast for such a giant to adjust properly. Playing with this fear can be the key to successful second-stage lobbying.

5 Reverse Lobbyism

As mentioned in the very beginning of this work, it was the phenomenon of ‘reverse lobbyism’ which caught the author’s attention when starting research and which led him to found as well as elaborate the concept of second-stage lobbyism in detail. Therefore, the following chapter will be dedicated to the reverse form of lobbyism which is shaped by political decision makers such as parliamentarians influencing first-stage lobby groups. Thus, when recalling the idea of second-stage lobbyism, reverse activities can be seen as a very specific form of the second-stage. As an in-depth examination of the reverse phenomenon – unfortunately as well understudied – is by far exceeding the limits of this work, the this chapter will be used to give a short introduction enabling a general understanding as well as comprehending the connection to the main concept; the application of mathematical examinations will only, if even, take place in descriptive ways.

As with the regular second-stage lobbyism, influencing takes place on the second stage with (potentially) powerful first-stage actors as target. Thus, the further up described generic target evaluation process can be considered to be very similar if not even to be the same. The explicit difference between reverse and regular second-stage lobbyism is the lobbying actor itself as it is a politician. This means, that an actual potential first-stage target, one could say a stage zero actor, is aiming to influence a stage one actor by becoming a second-stage lobbyist – “the legal tradition by which officials lobby lobbyists”“, as cited by Shaiko (1998, p 256).

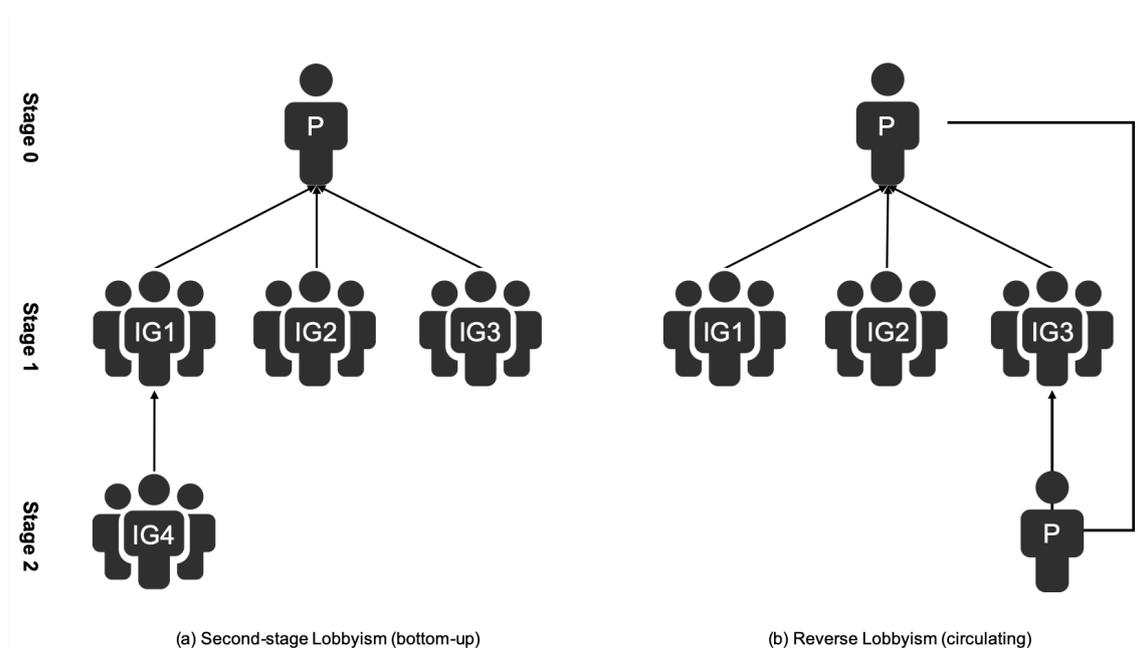


Figure 37: Comparison Second-stage and Reverse Lobbyism

As illustrated in Figure 37, reverse lobbying appears to be a constant loop of being lobbied and lobbying oneself, which is at the same time correct but also too unprecise. The important nuance is, that the stage zero actor P_2 is not lobbying a stage-one actor IG to get influenced later on, but to influence other stage zero actors P_1 such as other parliamentarians, the president, party leaders and whole parties or also other constitutional institutions. Hence, when being more precise, the earlier circle remains to be a loop when thinking stage wise but actually should be presented as a regular bottom up second-stage lobbying (Figure 38 (a)) or alternatively as a more precise circulation (Figure 38 (b)).

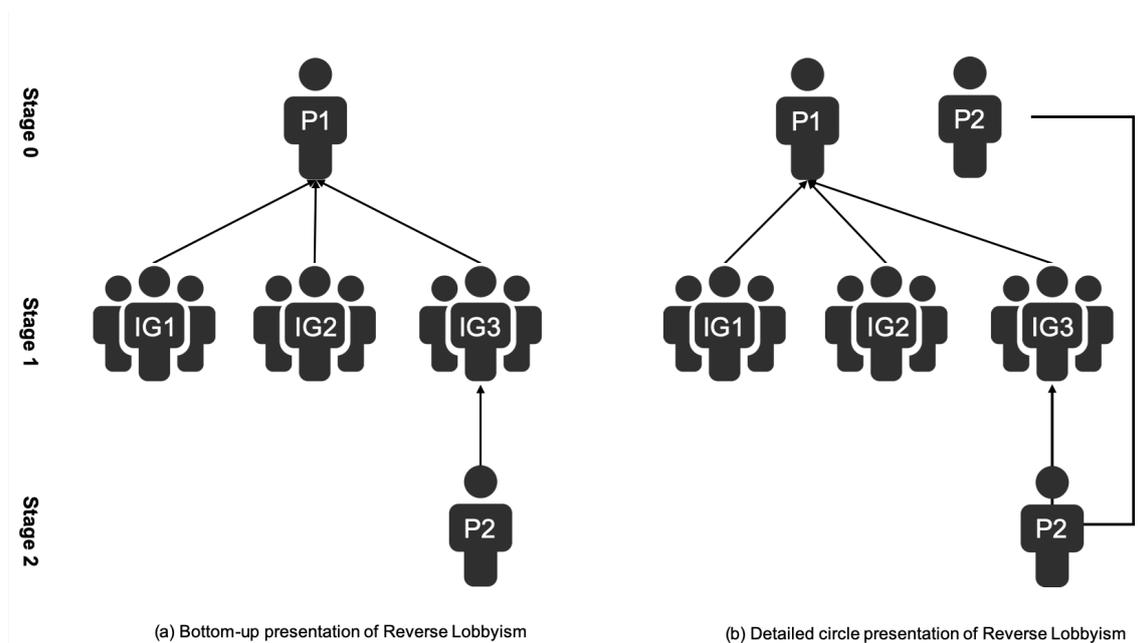


Figure 38: Bottom-up and detailed circle presentation of Reverse Lobbyism

Understanding the basic idea of reverse lobbying to be second-stage lobbying performed by a normally first-stage lobbying target, the next step is to ask, when and why to apply such means. Ronald G. Shaiko (1998), one of the first and unfortunately rare scholars to investigate the phenomenon in more detail, points out the importance of reverse lobbying “particularly in the era of divided government” (p 278). For the United States of America this is the case, once not both houses, the Congress and the Senate, are ruled by the same party. In case of the European Union this for instance can be said in general, as the European Parliament, elected every five years by all EU-citizens, the European Commission, a supranational government nominated by the national governments, and the Council of the European Union, including one representative per state, will barely ever have all constitutional veto players⁵⁸ under one political agenda.

Thus, for example Weir (1995), Shaiko (1998), and Karol (2015) for the United States, as well as Woll (2006; 2008) and Elgström and Jönsson (2004) for the European Union were able to show the regular application of reverse lobbying within a variety of setups:

⁵⁸ Recalling Stepan and Linz (2011) examination, every instance which can block the passing of a bill can be considered as a veto player. Thus, with regards to reverse lobbying, whenever those influential actors are not united by an administration, the government can be ranked as ‘divided’ and thus reverse lobbying appears to be a useful tool.

In the US, especially the Clinton administration applied reverse means for its health care reform as well as an intense increase of police officers during 1993 and 1994. Therefore, interest group leaders were invited regularly to present the advantages, as well as local office holders such as sheriffs were targeted in rallies.⁵⁹ The idea was to win such actors as multipliers, which then spread the word and create pressure on especially undecided parliamentarians. Vice versa, the US Congress at this time, ruled by the Republicans after the 1994 elections, lobbied extensively small businesses to win their influence on local officials for loosening federal regulation. Later on, also Bush Jr. years as well politics until today are shaped by reverse lobbying. Furthermore, there is a variety of grassroots and associations which were initiated by politicians of the time such as for instance The American Farm Bureau Federation or the Chamber of Commerce.

On the European level such measures were applied by the European Commission (EC) to enforce new liberal laws on banking services, telecommunication, textiles and clothing. The challenge for European law makers is the complexity of the process due to the number of veto players as well as their constitution. Especially in the EU Council as well as EU Parliament a variety of decision makers stand up for national instead of trans- and supranational goals. With regards to trade policies protectionism of the local markets is one of the highest burdens to take for the Commission. Thus, it applied reverse lobbying to win locally involved interest groups such as trade unions and industry representatives to influence first national politicians and then consequently the national government to change its attitude towards the EC proposals. As the liberalization of the telecommunication, financial, and air service markets show, the approach can be considered promising.

However, it also needs to be answered, why targets follow the appeal despite possible earlier scepticism. On the one hand, especially when influencing profit-driven actors, it is the simple outlook of a more prosperous future with possible higher market shares and the chance to expand to new markets. Nevertheless, on the other hand a currently non-monetary result can be assumed to be more valuable: the chance of power and responsiveness. Shaiko (1998) and Woll (2006, 2008) clearly point out, that the invitation to shape current and future policies, although

⁵⁹ The application of reverse means by the Clinton administration was so aggressive and intense that the restrictions of *The Anti-Lobbying Act of 1919* (18 U.S.C §1913), which should prevent one politician to influence another through third parties, had to be clarified by independent investigations in 1995 (Shaiko, 1998).

it might just be slightly, is a seemingly irresistible incentive for a majority of interest groups. Hence, with the reverse lobbyist bringing in the prospect of political influence to the target, there is a chance of support. A statement, made by an official of the US Justice Department who worked on the Clinton Crime Bill during an interview with Eric Reid in 1995, summarises the target's motivation in a simple but probably best way "If we would get them to buy into the program, make them feel if they had a stake in its success, we would be more than halfway home" (Shaiko, 1998, p 262).

While the incentivisation by profit- or value-based means could be presented as usual in a spatial model, it is more complicated and less useful to do so for influence. Instead, it could be shown in a game-theoretical decision tree or the target's utility function. By applying the latter, it has to be considered, that a target has costs based on the reverse lobbying-triggered lobby activities on the first stage as well as potential short-term losses until the new law has been passed. Accordingly, the overall benefit has to succeed the own lobbying costs as well as possible costs by market sacrifices. Allowing and supporting the liberalisation of the national market may for instance cause the invasion of foreign competitors and thus a decreased market share, which, in case of a sound business case and the necessary political influence, might be compensated in the long run through new business opportunities abroad or other savings.

Despite the compactness of this chapter, it has been shown, that reverse lobbying can be considered as a specific form of second-stage lobbying executed by officials themselves to influence other members of the government or constitutional veto players. As far as academic literature is available – the few existing works and involved scholars are named above –, it is focusing on the description and collection of occurred events rather than on the mechanisms in place. Thus, to understand the reverse application of lobbying in depth, a detailed elaboration based on the presented concept on second-stage lobbying is mandatory. A plan worth extensive secondary work.

6 Discussion & Conclusion

Whenever discussing means of lobbyism, it is worth to call back to mind that lobbying itself is first of all a neutral tool available to everyone. It is everybody's democratic right to support one's favourite political ideology or party as well as to fight for the enforcement of a specific bill. Just as voting, lobbying is an expression of the own opinion and it is human and natural to provide resources such as money or time to a matter of interest while not helping the ones of no personal usage. The limits of what is allowed and what not is socially constructed, accordingly pending on the cultural environment one lives in and should be reflected in the law. Thus, problems which appear in the context of lobbying such as the abuse of power or high responsiveness of officials towards resource-rich lobbyists for the own benefits is not a failure of the method, but a failure of the system and the society which accepts such malfunction.

As it can be seen in a majority of social environments, especially western ones, such malfunctions are in place: public interest groups, which advocate for general, all-concerning matters such as human rights or the environment, face serious competitive disadvantages, if not even discrimination, in comparison to their narrow counterparts, which represent specific subunits of society such as businesses, professions or also religions. This is with regards to budget, the capability to mobilise people, as well as the reactivity of (political) decision-makers, and results in the underrepresentation of concerns affecting not only a sub-group but the whole society. Research on human interests such as the World Values Surveys, but also already earlier approaches such as Maslow's hierarchy of needs imply that humankind is more than pure survival instinct, but a social being caring about others. Nevertheless, it is one's budget which creates leeway for more participation and dedication.

Thus, as academia could show, the more one has, the more one can invest and potentially influence. However, it does not automatically mean that one will do so nor that one will do so in the favour of others or better said which others. Caring about others does not mean caring about all others. Social responsibility is a very personal construct and can include only the own family, or the own industry, but also the whole society of a nation, continent or the entire earth. Accordingly, it is a fallacy to believe that investments such as basic income or the intensification of education will directly lead to a better world – especially, as 'better' again is very subjective. It is, hence, a matter of mindset and one which might take decades to even achieve small steps – not even talking about changing laws or even whole systems.

Accordingly, whoever wants to achieve social changes, smaller or bigger ones, but at the same time feels trapped in and discriminated by the system – a claim a majority of public interest groups and activists probably would sign -, may should start to reconsider the own strategy and attitude towards the own situation instead of solely complaining about the given limits and a hostile structure. What counts for business in the market counts for lobbyists as well: ‘Think out of the box and turn the unfortunate features of the surrounding environment into the own strength’.

What does this mean with regards to public interest groups?

There is no doubt of discrimination to be in place favouring those who have budget and the privilege to hold selective incentives – these days mostly businesses and to some degree still the religious entities such as the church. Thus, one may even seek for a revolution and the down fall of the system, but probably at least for a profound reformation. Nevertheless, lacking power and influence, the problem in the first place, it is actually for now wise to accept the status quo and consider how to use the rules of the game one is in in a best possible way until one is able to make the rules oneself.

The here detailed developed and introduced concept of ‘second-stage lobbyism’ is exactly contributing to this state of affairs and approach. The main idea is simple and straight forward: lobby the lobbyist; influence the influencer; use the power of those who are in power now. Therefore, the strength of a capitalistic system turns into its biggest area of attack: profit is driving a majority of the actors and thus profit can be the key to success for all the ones lacking power and influence. What is needed is what the average person would call empathy – ‘heresthetic’ is the term the American political scientist William Harrison Riker shaped. It is the ability to understand the counterpart’s conception of the world and based on this to transform the own matter into a subject of the other one’s interest. There is no point for an organisation advocating for equal rights of women to address this matter on a moral level to a company yielding for more profit. Vice versa, there is no point in addressing such a matter to a value-driven entity like a religious group in a financial way.

Hence, the implication of second-stage lobbying is simple: Find someone who can actually influence the status quo, promote the matter of relevance in the target's words, and then let them lobby for this matter on a higher stage, namely the one of political decisions.

The approach to identify a target is actually the application of quantitative methods on mostly, but not only, qualitative aspects. There is hardly an actual factor which represents for instance political responsiveness without a subjective decision of the person in charge how to measure such a feature. Similar accounts for the capability to mobilise people, the encompassment of a group, how moral- or profit driven it is, or how much ideological or thematic overlap between target and lobbyist exists. Nonetheless, this quantification of features allows standardisation and comparability of potential targets. Furthermore, this quantification fortunately does not have to withstand a number of supra-organisational stress tests, but simply has to be integer within the own socio-system, namely the group which decides to go for second-stage lobbying.

The same is valid for the setup of the spatial model as there will rarely be a case where complete and actual information is available. Potential targets do not publish a list of their attitudes towards specific matters every year in their annual report, nor do citizens on a regular base. As a consequence, the population's preferences as well as the potential targets' location on the scale from 0 to 1 have to be estimated. In case of limited available resources this might mean expert knowledge or maybe even the result of a group discussion; in case of a bigger scope of action, statistical projections based on surveys of a sufficient sample size or calculations based on proxy values might be applicable and may allow more profound elaboration. A firm's positioning towards apprenticeships, for instance, can be reflected in the number of advertised positions, advertised positions in relation to the total workforce, or in comparison to the promoted positions in total within a sector and even the entire labour market.

As before, such determinations are of high subjectivity, as also the objective applied math based on for example surveys is in most cases a reflection of a qualitative fundament - especially when asking different people for differently coined terms such as human rights, environmental protection, or equality. Moreover, although the application of proxies is of high surplus, there remains some degree of subjectivity as the chosen factor might be the right one for some reasons, but the wrong due to others. However, a decision is needed and only two actors have to be convinced by the elaborated: the second-stage lobbyist and the target.

Thus, second-stage lobbying has to be validated on two complete separate levels: firstly, the theoretical one which has been described and elaborated here with all its facets or least the indication of those. Secondly, the practical application which is so manifold as probably humans on earth. The steps to be applied can always be considered to be the same, namely the standardisation of targets for the pre-selection and the spatial analyses for the final decision. However, this is the limit of the developed tool-kit. Everything further is in the hands of the second-stage lobbyists themselves.

Due to this, upcoming discussions, which are highly appreciated by the author, have to be on those two levels. As Baumgartner and Leech for instance challenged Austen-Smiths and Wright's idea of counteractive lobbying, there is a high need to challenge the present idea of second-stage lobbying. As there are constant ongoing discussions, if lobbying on the first stage works through exchange, persuasion or subsidy, same has to be asked on the second-stage. And as much as it is in question if lobbying the enemy, the undecided, or the ally is the most efficient way, it has to be questioned which characteristics define an ideal second-stage target. Lastly, there is also a need to determine where second-stage lobbying ends and where for example collaboration starts, or if collaboration is actually a form of second-stage activity.

Once this all is given, the actual application and especially documentation⁶⁰ are needed to show if the theoretical idea is convertible in sound practical usage, which challenges occur, which points are the most essential, and which the most critical. So far, there is barely empirical data available to either test the here given assumptions nor to develop and improve the given theoretical concept. Nonetheless, to provide or search for data thoroughly one has to understand what to look for and what to consider.

The author of this work is more than aware of the shortage of empirical proofs within the presented. Although some statements such as the change of society and the representation of this in a spatial model could be worked out, the core claim, that second-stage lobbying is of explicit use to interest groups is still outstanding. Thus, elaborating the theoretical fundament

⁶⁰ The author strongly assumes, that a variety of interest groups already apply such matters, but do not categorise them as second-stage lobbying. The fact, that some of Greenpeace's activities with companies for instance are labelled as 'green washing', underlines that some interaction is already now in place for sure.

is the author's attempt to raise the needed attention to the matter and his try to provoke. It is the invitation to prove him wrong as doing so requires further urgently needed investigations. It is the appeal to academia to research further in cooperation with public interest groups, and to the groups to understand their activities in a bigger context and as something which should be applied more strategically to improve the status quo. By collecting data and providing it to researchers, new features can be examined and designed which will lead to their own surplus – and in the best case to benefits for the entire society.

This work is scratching only on the facade of what is possible. It is a small glimpse on something which could be big and change the way of representation and lobbying. What is shown so far, is that quantitative methods such as spatial models and game theory in combination with qualitative skills such as empathy, intuition, (self-)marketing, instinct, and the power to present can create something big – in case it is allowed to grow and flourish. The one aspect is not working without the other: fantastic mathematical scenario analyses will be of no use if there is no one to present it in the right way to the right person. There is a need to accept this interplay to get the most out of it and allow public interest groups to turn competitive disadvantages in actual potentials.

Certainly, the applied models are very simple and indicate a variety of chances for improvement and development. Consulting empirical data – as soon as available – is a first step, including more-dimensional spatial models can be another one. The same is valid for the actual and profound inclusion of factors such as motivation (value- or profit driven), as well as encompassing, size, and privilege characteristics of a group into the target selection. Similar has to be done for the topical and ideological overlap of groups.

With regards to ideologies it shall be mentioned, that the here presented tool is neutral and available to everyone interested. As much as the WWF might use it for the promotion of animal rights and environmental protection, the American National Rifle Association might use it to promote the need of private fire arms, or the militant antifascist movement Antifa to advocate for anarchism. As stated in the first paragraphs of this conclusion, it is with a society to define the limits of what is permitted and what not. The game to influence and design the framework is per se open to all.

Concluding important thoughts to take out of this elaboration might be the below:

- Influencing the influencer is a natural human behaviour applied already from child age on. As such, it should be a core element of strategic, professional lobbying.
- The theoretical concept of second-stage lobbying is based on this intuitive behaviour.
- Acting on the second stage can be very simple, but also very complex. One idea can be sufficient to attract the target, but at the same time, the setup of a scenario funnel and a high investment can be of no use and lead to failure.
- Hence, there is always a risk of not succeeding, but this is also given on the first stage. The charming aspect of the second stage is the outlook of a leverage effect as own small investments can be boosted by the target's resources.
- As on the first stage heresthetic, generally spoken 'speaking the others one's language', is important. Nonetheless, on the second-stage it is not a nice-to-have skill, but the key to success as it is compensating possible lacks with regards to resources and the ability to mobilise the mass.

The following statement shall serve as a final encompassing remark by the author:

It is not important what one has, but how one is capable of using and promoting the available resources in the best possible way based on the given circumstances.

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