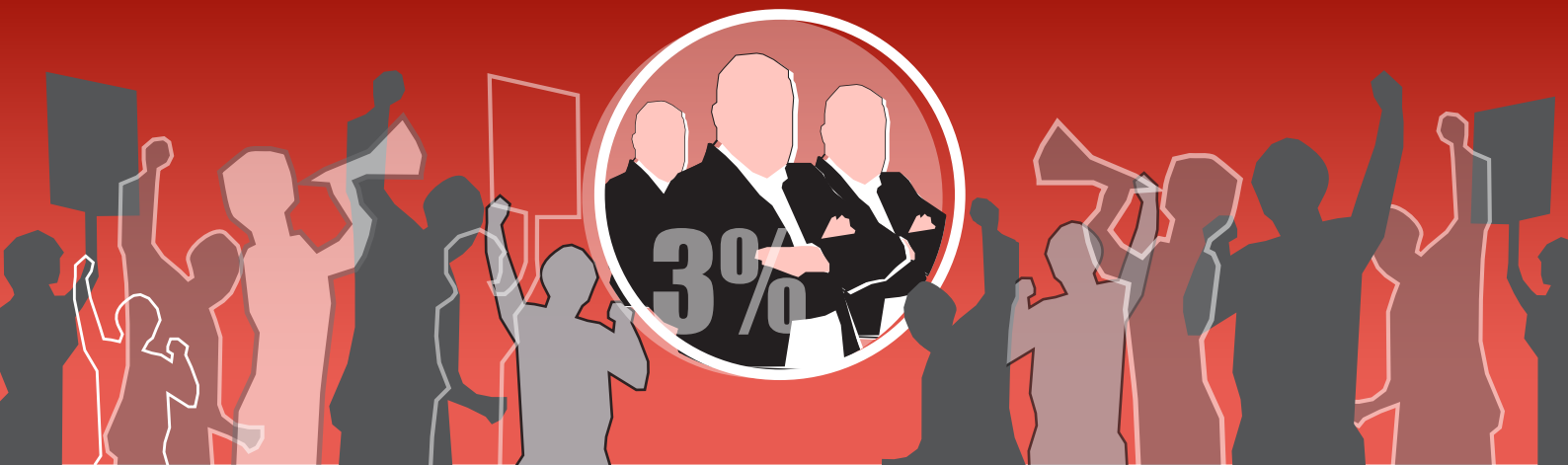




The Jimmy Reid
Foundation

Not By the People

The Launch of the Commission on Fair Access to
Political Influence



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The Launch of the Commission on Fair Access to Political Influence

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Introduction

The timid response to reform following the banking crisis and the revelations about worrying media-political relationships to emerge from the Levenson Inquiry are two more cases which have raised serious public concern about who really has influence over the political process in Britain.

Of course, unequal access to power is as old as human civilisation and the concept of a 'ruling class' is as central to the development of government in Britain as it was to Plato's *Republic*. But this does not mean it is acceptable, or that it should go unchallenged.

At a UK level, organisations such as UK Uncut and Spinwatch have sought to highlight the strength of the corporate influence over policymaking and debate about appropriate rules for financing politicians and political parties has been extensive. In Scotland Neil Findlay MSP is working on a draft Bill to set up a Register of Lobbyists.

All of these are valuable initiatives. However, while they may help to mitigate the power of commercial influence they do not improve access to influencing decision-making for organisations or individuals without lobbying budgets. Restraining the power of money is one half of the equation; creating routes to power for those without money must also be seen as part of the solution.

But is there a problem? That is what this research project has aimed to establish. It has sought to identify a few measures of exactly who has access to the decision-making process in Scotland – and who does not. The findings suggest pretty compellingly that there is indeed a problem. Put simply, your chances of being appointed to a public body or governmental review or of being invited to give evidence to a parliamentary committee if you are part of the 70 per cent of the population which earns on or below average salary but are not an elected politician is small-to-negligible. Scotland is run by people who pay higher rate tax and they seek advice on how to run Scotland primarily from other people who pay higher rate tax. The outcome is that policies that affect the lives of all Scots are made predominantly by a group that represents (at best) the richest ten per cent of the population. As we argue below, this is an invitation to the sort of 'group think' which sees small but powerful groups in society absorb their own preferences and prejudices as fact rather than opinion, and then allows them to make policy on the basis of those 'facts'. It is how elite groups come to see weapons of mass destruction where they don't exist, fail to notice that the financial services sector was dangerously out of control and can't see what is wrong with journalists bribing public officials until someone else points it out.

The report has been produced to launch the Jimmy Reid Foundation's Commission on Fair Access to Political Influence. This project has been funded by the Joseph Rowntree Reform Trust. The Commission will be Chaired by Larry Flanagan, General Secretary of the Educational Institute of Scotland and is made of up six people who have expertise in this area but who represent constituencies that are seldom invited to advise on public policy. The Commission is issuing a call to individuals and organisations with an interest in influencing public policy in Scotland but who feel excluded from decision-making. We want them to give us their ideas on what can be done to open up Scottish public policy to a much wider range of voices and opinions than are currently involved.

The call for submissions will close on **Friday 19 April 2013**. The Commission will then produce a series of recommendations and proposals resulting from the ideas we receive.

Methodology

To establish the extent to which there is fair access to political influence we looked at two areas:

- The 750 people currently appointed to public bodies in Scotland and to governmental reviews and inquiries (as of October 2012)
- Everyone (or as close as we could ascertain) who has given evidence to a selection of nine Parliamentary Committees over the last five years (a total of 2,211 witnesses)

The list of public appointments is published by the Scottish Government with a limited amount of detail (for example, remuneration, declaration of interests and so on). The list of those giving evidence to Parliamentary Committees was compiled by going through the Official Parliamentary Report and listing all the individuals who were recorded as giving evidence. Here the only additional information provided is the job title of individuals and the organisation they represent (if any).

It is difficult to draw absolutely firm conclusions from this data. However, for every single person identified above (just under 3,000 people) we have coded them on the basis of estimated income. We were limited in the bands we could use as a result of lack of data. We used three groups based on income distribution, with breaks at the 60 percentile point and the 80 percentile point. We therefore used three codes:

- Individual income below £24,000 (below average, on 60th percentile)
- Individual income between £24,000 and £34,000 (between 60th and 80th percentile).
- Individual income over £34,000 (above 80th percentile)

We would have liked to have had another breakpoint at £41,000 (the 90th percentile and the point at which higher rate tax is paid) and another at £100,000. However, there is no way to make reliable judgements on these thresholds as a result of lack of data. Where in doubt we have weighted assumptions to lower income to avoid any suggestion of wilful misrepresentation. There were 104 people (4.7 per cent) we couldn't classify due to lack of available information. These have been excluded. Assessing income was done in three main ways:

- Where there is information on remuneration available this was used
- Where the job title of an individual was linked to a published pay scale (such as in the civil service and local authorities) this was used
- Where neither was available we estimated likely income according to job title. For example:
 - Managers, Directors, Heads of Department, Chief Executives and Senior Officers were coded as 'Income above £34,000'
 - Policy officers, frontline staff and similar were coded as 'between £24,000 and £34,000'
 - There were few instances of people with a job title indicating a salary likely to be below average other than elected Councillors, but individuals representing community or resident groups or other non-professional organisations were coded in this category, as were those who were retired where evidence of other income was not available

To ensure we are not criticised for exaggeration, in all cases we erred on the lower side where in doubt. This has led to a number of reasons to believe our outcomes understate the extent of the problem. For example:

- Many people with job titles we coded as '£24k - £34k' will in fact fall into the category of 'over £34k' and virtually all of them are representing larger organisations not offering personal opinions
- Other than on occasions where current income was declared or evidence was conclusive that income was high, anyone designated as 'retired' was coded as on or below average salary. This is clearly a large distortion given many of them will be retired professionals or industry leader on large pensions.
- In the case of NDPBs and other public bodies, people coded as on or below average salary are heavily dominated by elected politicians (local government Councillors appointed to boards and quangos) who are not typical 'low income' individuals
- Others coded in this way may be concentrated in small numbers of inquiries, for example into the experience of frontline workers. This means that the influence of these socioeconomic groups over other policy areas is depressed further than these results indicate. Not necessarily the case for committees, most of mine were lower level staff members

The Committees we looked at were:

- Economy, Energy and Tourism Committee
- Education and Culture Committee
- Equal Opportunities Committee
- European and External Relations Committee
- Health and Sport Committee
- Infrastructure and Capital Investment Committee
- Local Government and Regeneration Committee
- Public Audit Committee
- Rural Affairs, Climate Change and Environment Committee

We also sought to identify some other indicators that might suggest imbalance in representation such as geography (are populations from outside the central belt properly represented?) and age (do people under 40 gain access to public policy?). Both proved impossible due to lack of data.

We also coded those giving evidence to Parliamentary Committees on the basis of the type of organisation (or none) they represented. We created 11 codes:

- Representative Bodies
- Public Bodies
- Local Authorities

- Govt.
- Individuals/Service Users
- Further and Higher Education
- Third Sector
- Private Sector/Businesses
- Independent Experts/Consultants
- Think tanks/Research bodies
- Other (including utility companies, newspapers, PPI's and those it was not possible to class)

Much of the work of committees relates to the performance of public sector organisations; they therefore dominate the total (more than half of those giving evidence were in some form of public sector body). We therefore further coded 'representative bodies' to establish the type of interest being represented. We used four codes:

- Commercial/Business Interest (which included those trade associations that were operating to further commercial interest of members)
- Other interest or lobby groups
- Professional groups (including specialised unions like NFU and Equity)
- Broader civil society (broader based unions, sports group, community councils)

There were some additional pieces of information we would like to have gathered but were either too difficult or where data was not available. For example:

- Who is invited to talk to the civil service and senior managers in local authorities on a one-to-one basis?
- How many people act as 'gatekeepers' deciding who is invited to give evidence to committees or who is to be appointed to public bodies – and what socioeconomic profile do those people have?

In all of this we have made the decisions not to name individuals or individual organisations. It is important to stress that there is no implication in this research that any individual appointed to a public body or invited to give evidence was not qualified or was not able to make a positive contribution to public policy in Scotland. The aim is to look systematically to identify whether the sum total of the appointments and invitations end up reflecting wider Scottish society.

The results

Socioeconomic Profile of 'Influencers'			
	Income less than £24k	Income between £24k and £34k	Income over £34k
Public Appointments	78	158	490
	11%	21%	67%
Giving Evidence to Committees	62	466	1241
	2.8%	21.1%	71.4%
Note: a further 104 or 4.7 per cent had insufficient data on which to make an estimation			

Evidence to Parliamentary Committees by Organisation type		
	Occasions	Percentage
Representative Bodies	617	27.8
Public Bodies	361	16.3
Local Authorities	150	6.8
Govt.	377	17.1
Individuals/Service Users	41	1.9
Further and Higher Education	87	3.9
Third Sector	237	10.7
Private Sector/Businesses	115	5.2
Independent Experts/Consultants	43	2.0
Think tanks/Research bodies	37	1.7
Other (including utility companies, newspapers, PPI's and those it was not possible to class)	146	6.6

Breakdown of Representative Groups Giving Evidence to Parliamentary Committees		
	Occasions	Percentage
Commercial/Business Interest	171	28
Other interest or lobby groups	31	5
Professional groups	244	39
Broader civil society	171	28

Income distribution, the Scottish population and the 'influencers'

There are about 5.2 million people in Scotland. (All figures are the most recent available from the Office of National Statistics. Income distribution data is from 2012. Total population is from 2010 and is estimated.) Of those 2.114 million are registered as in work. The income distribution of that 2.114 million people is as follows:

	£ per week	Annual Salary £
Median	393.7	20,472
Mean	470.2	24,450
10 Percentile	123.2	6,406
20 Percentile	206.4	10,733
25 Percentile	243.5	12,662
30 Percentile	274.0	14,248
40 Percentile	333.0	17,316
50 Percentile	393.7	20,472
60 Percentile	468.0	24,336
70 Percentile	554.0	28,808
75 Percentile	605.3	31,476
80 Percentile	656.3	34,128
90Percentile	833.5	43,342

That means that exactly half of Scotland's working population earn less than £20,472 per year and the average salary is £24,450. Percentiles tell us what is the top salary of the people in groups of ten per cent of the population. So the bottom ten per cent of the population earns less than £6,406, the next ten per cent earn between £6,406 and £10,733 and so on up to the top ten per cent which earns more than £43,342.

It is therefore possible to map with some accuracy the proportion of the population represented by each of the income groups used in this report to compare the proportion of 'influencers' and the proportion of the overall in-work population:

	Income less than £24k (%)	Income between £24k and £34k (%)	Income over £34k (%)
Proportion giving evidence to Committees	3	21	67
Proportion appointed to public bodies	11.0	21	71
Proportion of in-work population	60	20	20

So the 60 per cent of the population that earns below average salary is represented by only three per cent of those giving evidence to parliamentary committees and so on.

However, the in-work population is obviously only a proportion of the overall population. To work out what proportion of the total population is represented we need to look at the not-in-work group:

	People (thousands)
Total	5,200
Adults (>16)	4,290
Adults in work	2,176
Adults not in work for any reason	2,114
Of which aged over 65	874
Working age population not in work	1,240

It is not possible to say anything conclusive about the income of those not in work as the data is not collected. For example, some of those not in work may have no income but be an unworking spouse to a high earner and others may be high-income pensioners. To distribute the rest of the population it will be necessary to make an estimate of which of the three categories they fall into. However, the majority not in work will be made up of carers, students, the unemployed, pensioners and the chronically ill. These groups will be largely low-income. We therefore conclude that distributing these between the three categories in the proportions 80/15/5 per cent is appropriate. If we do this the outcome is as follows:

	Income less than £24k	Income between £24k and £34k	Income over £34k
In work (thousands)	1,303	435	453
Not in work (thousands)	1,691	317	106
Total	2,994	752	559
Percentage of total	69.5	17.5	13.0

It is therefore possible to get a reasonable indication of how reflective of the overall population those influencing government policy are:

	Income less than £24k (%)	Income between £24k and £34k (%)	Income over £34k (%)
Proportion giving evidence to Committees	3	21	67
Proportion appointed to public bodies	11.0	21	71
Proportion of in-work population	69.5	17.5	13.0

It should be remembered that the large majority of those being appointed to public bodies with below average income are elected councillors. Extracting this group leaves a figure about the same as the proportion giving evidence to committees. So from these conservative estimates we can conclude that:

- Only about three per cent of those chosen to influence government policy live lives which reflect 70 per cent of the population.
- About 70 per cent of those who are invited to influence government policy live lives which reflect fewer than 13 per cent of the population
- This last figure is a gross underestimate – many of that 70 per cent are earning much more than the threshold for higher rate tax. If the data was available it is likely that well over half of those invited to influence government policy would be drawn from a small single-figures proportion of the population.

Implications

It is important to understand why this is an issue. Professor Stephen Reicher is a psychologist at St Andrews University. He has worked as part of a team researching the implications for leadership and successful decision-making of leaders being divorced from the understandings and experiences of those being 'led'. We asked him to explain:

"Why does it matter that those who are invited to influence government policy are populated primarily by just one, privileged section of our population – those who are better educated, better resourced and more privileged than most? After all, don't we want the best minds and the best experts to provide the best remedies for the issues that beset us? To call for diversity and meritocracy for their own sake is surely retrograde if it erodes the quality of solutions to our social issues and leaves the less privileged still worse off.

There are many problematic assumptions in such an argument. But perhaps the most misguided are, firstly, that elites will provide better solutions and secondly that, even if they come up with good ideas, elites will be able to implement them.

For many years now, I and colleagues have been working on the issue of leadership and social influence. Perhaps the most important lesson we have learnt is that leadership effectiveness does not derive from certain fixed qualities ('the right stuff') which a few possess but most people do not. Rather, the key to effectiveness is to be seen as 'one of us'. That is, the effective leader must be seen to share the perspective, the values and the priorities of his or her constituency. If that is not the case, then all the qualities in the world will not compensate. Indeed ability constitutes an impediment rather than an asset if it is used to promote things a wider constituency not believe in or care about. Consequently, anything which separates the leader from followers undermines influence. For instance, our studies show that increased incomes differentials in organisations make leaders less respected and less effective.

Why is this the case? Well I have already alluded to the obvious reason. Those who are different to us, who share neither our experience nor our values, may not see problems as we do. That which bothers them may not bother us. That which bothers us may not bother them. As I write I am in India where we have been meeting development organisations. Their approach is not to parachute into a deprived community and decide how to improve it. It is rather to start with an audit of the community itself in order to define problems. How much better to have community members involved in the organisation itself.

The reason for this is that, even if one does happen upon the right problems and address the issues that really affect people or impact on their lives, people profoundly resent 'solutions' imposed upon them by those they view as 'other'. For the act of identifying and imposing 'solutions' then becomes a comment upon group morality and intergroup relations. It suggests that 'you' have problems, that 'you' are flawed and that 'you' need help. There is a body of evidence that people will reject help which signifies intergroup inequality and which maintains intergroup dependency even if the help itself would be useful.

Recall, for instance, the response in some communities to Jamie Oliver's healthy school meals initiative. In many ways it was an excellent idea. The food would clearly be of value to the children. But to many it seemed a comment upon their stupidity and even their lack of concern for their children. So they passed chips to these children through the school gates. How different things could be if this was 'our' rather than 'their' initiative. How much better it would be if those who discuss and decide initiatives reflected properly the communities to which they cater.

In sum then, the skewed composition of quangos and those giving evidence to committees is wrong in practice as well as principle. It is unfair, it diminishes the quality of proposals. It makes good ideas less likely to succeed. It has no defence.

Scotland cannot afford to live with decision-making which is divorced from the vast majority of people affected by these decisions. We cannot afford to have decision-making which is of poor quality for this reason. And we can't afford to be in a position where even good decisions are hard to implement because they are formulated in isolation from those who will implement and be affected by the decision.

The Commission

It is for this reason that the Jimmy Reid Foundation has established – with the support of the Joseph Rowntree Reform Trust - a Commission on Fair Access to Political Influence. The Commission will seek submissions (especially from organisations generally excluded or marginalised in decision-making processes) on what practical actions can be taken to reverse this situation.

It is Convened by Larry Flannegan, General Secretary of the Educational Institute of Scotland. The other members are:

- Will Dinnan, academic specialising on lobbying
- Daniel Johnston, small businessman
- Cathy McCormack, poverty campaigner
- Suki Sangha, young activist
- Willie Sullivan, Electoral Reform Society Scotland
- Jean Urquhart, MSP and activist from North of Scotland

Call for Submissions

The Commission is seeking contributions which will help to address questions such as:

- How do we ensure that a balanced range of opinions and views better reflecting the Scottish population are heard in the development of public policy?
- How can groups and organisations without large lobbying budgets be enabled to work as part of the development of public policy and to help set political agendas?
- How can decision-making processes be opened up beyond interest groups and those with wide experience of policy-making?

- How do we tackle in-built socioeconomic bias in the process of government?

We are looking for proposals with concrete ideas that could be enacted. These will be pulled together by the commission and published as a final report.

Submissions may take any form, from comments and thoughts by email to papers and reports produced especially or submission of existing papers or proposals. We are particularly interested in any experiences of how this has been addressed in other countries or in other contexts.

Submissions should be emailed to influence@reidfoundation.org by 19 April 2013. All submissions will be treated in confidence if requested.



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