

Lobbist Organizations as Conflict Resolution Institute

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Abstract: The study specified in this article is devoted to an important problem in the modern state management practice of Russia - the study of conflict resolution of such a politically significant institute as lobbist organizations. The authors consider the phenomenon from a socio-economic, organizational, political perspective, which is categorized through the conceptual series "government relations - public administration - political institute" and is scientifically justified. The analysis methodology is based on the symbiosis of the neoinstitutional approach and game theory (continuous games) with the rent-oriented behavior of players. The urgency of the problems of lobbist organizations is due to the prolonged political and managerial crisis, both in Europe, the USA and in the countries of Asia. The scientific novelty of this paper is determined by the use of the neoinstitutional approach and the theory of games with the rent-oriented behavior of players as the fundamental methodological direction of the symbiosis when considering lobbist organizations as conflict resolution institutes with all the functions and rules of behavior in a political game inherent in them. The study will be based on the use of such empirical methods as analysis of documents and cases, which justifies the use of a qualitative methodology. The article is one of the first in Russian empirical practice related to the problem of lobbist organizations and, undoubtedly, will make a significant contribution to the study of the conflict logical specific nature of this socio-political institute. The article is part of the grant of the Russian Foundation for Basic Research No. 19-011-31376opn "Conflict logical audit as a system of technologies for influencing ideological youth extremism in modern Russia".

Keywords: Lobbist organizations, conflict resolution institute.

INTRODUCTION

The topic of this study is relevant due to a number of circumstances. Firstly, the emergence of business structures that (as they develop) are increasingly in need of cooperation with the state authorities in the post-Soviet period, with the goal of harmonizing and institutionalizing their interaction. Secondly, the global financial and economic crisis (2008) and the anti-Russian sanctions, which made significant adjustments to the country's development prospects, affecting all areas of the Russian economy. Under these conditions, it was necessary to strengthen the state's role in providing them with the necessary financial and other types of assistance. Thirdly, the emergence of new forms of communication of civil society and government in Russia, known under such names as "lobbyism" and "Government Relations" in world practice. Fourthly, the growing demand for lobbyism in Russia and among the business community, which is most exposed by nature to all types of risk, as well as among non-profit sector institutes as the least protected, and among political institutes whose Lobbying has perverted forms (corruption and etc.) so far. Fifthly, the need for a deeper study of the essence and content of Lobbying in the Russian Federation, which is a combination of technologies and their comparison with the

technologies already known in Russia, such as GR, public relations, etc. Sixthly, the lack of federal legislation to regulate Lobbying in Russia.

Thus, the totality of the proposed arguments makes us turn to the study of a certain aspect of the stated topic - the lack of a regulatory framework for Lobbying in the Russian Federation.

MATERIAL AND METHODS

The concept of lobbyism is multi-faceted. As a rule, its study in individual scientific (disciplinary) areas (vectors) is very diverse. We single out four vectors in analyzing of the lobbyism institute: political, legal, social and economic.

Political aspects of lobbyism regulation are studied in the papers of: Rudenkova, (2016), Ivanova *et al.*, (2014). Dospan Dospan S.O. (2014). Pavroz (2013); Sergunin *et al.*, (2011); Kutsenko, (2010); Binetsky, (2005); Shchelishch (2004). Legal aspects of lobbyism regulation are specified in the papers of: Smirnova, (2011). Sirotenko, (2011). Grib, (2010). Zolotukhina, (2017).

The social aspects of lobbyism regulation are reflected in the paper of such authors as: Pavlyuk, (2012), Kramchenkov (2012).

Economic aspects of lobbyism regulation are defined in the papers of: Kostin, (2018), Matveev,

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(2019), Ukolov, (2019), Tsybaneva, and Ivanova, (2019), Shapkin, (2019).

The problem of interaction between the authorities and civil society based on the use of technologies and principles of such an institute as lobbying is extremely poorly reflected in the monographs and scientific articles of Russian and foreign researchers. There are mainly journalistic and network (Internet) publications in this direction. There is a need for scientific conflict logical understanding of the issues identified by the study. As a result, it is quite reasonable to highlight the problem area of the paper presented by the authors.

The study is theoretically based on the papers of domestic and foreign economists, sociologists, political scientists and conflictologists, devoted to the Lobbying problems and the lobbying institute.

The methodological basis of the study is represented by an interdisciplinary integrated approach that allows comprehensively analyzing the problem of the lack of legal regulation of lobbying in the Russian Federation. In their study of lobbying institute, the authors rely on a neoinstitutional approach and game theory.

The study of lobbying is based on such provisions of neoinstitutionalism as transaction costs, importance of institutes, limited rationality, institutional evolution, opportunistic behavior, distributive nature of institutes, dependence path and institutional traps. (Pavroz, 2013). The actors of the institute of power and civil society are included in a politicized game concerning implementation of their own interests through Lobbying. In this continuous game, each of the actors sets the task of competitive resource allocation.

The task of competitive resource allocation, in which the probability of acquiring a resource by one of the parties (or, in another statement, the resource amount) is a function of the efforts spent in the struggle for this resource. Lobbying, like corruption, patent racing, sports, and wars, are examples of competition, rent-struggle, or rent-seeking behavior. In such games, the probability of success increases with increasing costs. However, the costs themselves are irrevocable and are not reimbursed to the player in case of loss. (Palii, & Doga, SUMMARY & RefeRenceS).The irrevocability of such costs is one of the causes of conflicts in the Lobbying segment of modern Russia. The applied part of the study is built on this aspect using the methods of content analysis, secondary data analysis and case study.

RESULTS AND DISCUSSION

The Lobbying games were systematized by Didier G. Laussel in his papers. In the context of game theory, he considered the balance of organized and unorganized interest groups. The groups decide to become organized or remain unorganized, taking into account the expected costs that they will incur and/or the expected benefits that they will receive from the decisions made in the next steps. (Laussel, 2006). A more detailed analysis of the activities of lobbyist groups is given in the paper of A. Dusso.

The author notes that in the context of the classical (from Olson's time) study of the activity of interest groups, the scientists focused on the following areas: either the groups themselves or the characteristics of individual legislators. Dusso notes that the difficulties of individual Lobbying activities are primarily associated with the availability of its resources. Many resources are more accessible to interest groups, for example: the support level of organizations or the ease with which the groups can find like-minded coalition partners. (Dusso, 2010). The principles of building coalitions to which lobbyist groups join are empirically analyzed by M.T. Ganni and G.M. Lorenz in the context of the "coalition portfolio" concept.

According to Ganni and Lorenz, coalition of interest groups exists whenever two or more interest groups collaborate in promoting their public policy programs. Collaboration in

Coalition is one of the most common tactics used by the interest groups to advance their interests. The portfolio concept of Ganni and Lorenz recognizes that the interest groups can have a wide range of coalition strategies depending on the mix of coalitions to which they join. Changes in the structure of these portfolios are important for both interest groups and government bodies. Moreover, coalition portfolios evolve over time as coalitions form and collapse, and as political conditions change during the policy development (Heaney, & Lorenz, 2013).

D.M. Figuredo and E. H. Tyler develop a coalition theory of Lobbying in the context of not political, but economic interests. The researchers empirically study the situation when the net benefits of collective Lobbying exceed the benefits of independent (individual) Lobbying in the activities of economic organizations (firms). The main criterion for choosing the type of Lobbying is the confidentiality of the information provided to the lobbyist organization by the company. The authors summarize:

the higher the confidentiality level is, the lower the likelihood of collective Lobbying should be (De Figueiredo, & Tiller, 2001).

In this context, A.M. McKay shares the concepts of legislative and bureaucratic Lobbying. She focuses on an interest group as an analysis unit in contrast to the above authors. Based on a secondary analysis of studies made by her colleagues, the author concludes that legislative Lobbying (Lobbying at the level of legislative authorities) dominates, and bureaucratic Lobbying (at the level of executive authorities) is always minimized (McKay, 2011).

In such a variety of theoretical frameworks, most authors will nevertheless return to the issues of Lobbying regulation, but least of all we find foreign publications on the history of rule-making in the field of Lobbying legislation. One of the interesting papers in this direction is the paper of R. S. Sash (Sachs, 1981). The author traces the history of Lobbying regulation and legislation in the United States. In our opinion, the regulatory framework of this country may not be a role model for Russian reality, but the fact of its thorough development for the "case law" country is noteworthy, indicating the level of regulation complexity and significance concerning this public activity segment.

In our study, we tried not only to trace the history of rule-making in this area in the Russian Federation, but also to identify problem points in the formation of the country's Lobbying legislation. In our case, the question of whether the lobbyism institute in Russia will be (upon adoption of an appropriate regulatory framework) the conflict resolution (settlement) institute in the segment of state-public relations is of our interest.

Legislative initiatives regarding a document regulating Lobbying relations in the Russian Federation have been submitted to the parliament since 1995. But there is no law "On Lobbying" in Russia today. Accordingly, the state does not recognize the fact of its existence in the Russian political and social field with all the negative consequences arising from this fact. For example, the letter includes a growing corruption segment and, as a result, increasing government spending on the fight against corruption.

Despite this, the question "pops up" in various segments of public life every year: at legislative meetings of various levels, at public forums and conferences, as well as at expert sessions of science representatives.

In this regard, there is a logical question about the need for this legislative act, for it among different social and professional groups. After analyzing the materials of open media interviews with the experts in the field of Lobbying over the past decade, the authors can divide the answers to this question into the following areas:

1. Lobbyism is an integral part of the activities of authorities. This is an objective reality and the number of lobbist groups in the bodies of various governmental branches is not a secret for those who enter the respective circles of specialists.
2. The diversity of lobbist groups in the country's parliament will contribute to an increase in the number of interests represented and to balancing the influence of groups without monopolization.
3. At the moment, Lobbying is carried out (in most cases) by the representatives of legislative bodies at all levels (federal, regional, municipal).
4. Legally unregulated lobbyism contributes to corruption in the government, in its interaction with private business, public and non-profit organizations.
5. One of the significant drawbacks of all the bills developed in the Russian Federation and concerning the regulation of Lobbying is that if they were adopted, they would become the means of legalizing various corruption relations between lobbyists, government bodies, private business, citizens and their associations.

All the bills developed and concerning the regulation of Lobbying in the Russian Federation were aimed at giving transparency to power structures and openness to influence and control by society. In addition, they insisted on removing the existing *de facto* lobbyism from the shadows. Obstacles to the "birth" of this law were already evident at the level of legislative bodies, which rejected bill adoption at different periods of time and under various pretenses. Here we insist on the term "pretenses", but not "reasons". As we see the reason for bill rejection has always been the same, that is, political. The representatives of public authorities were in no event ready to transfer their activities to a "transparent" mode for society. The result was an increase in corruption at the governmental bodies at various levels. As examples, a number of federal, regional and municipal cases with corruption scandals can be cited. They all were based on the situations with

unlimited access to power resources in a particular location (from the municipality to the federation: case of N. Belykh, case of A. Serdyukov, case of D. Zakharchenko, case of P. Konkov *et al.*).

SUMMARY

The modern Russian research in Lobbying has not yet reached the theorization level based on empirical research, in contrast to the foreign scientific thought, where there is a comprehensive theoretical and research study of the problem. Applied research has also been minimized in this direction in Russia over the past decade. An objective explanation for this is probably the criminalization and inaccessibility of information on this public life segment. Lobbying is not the most transparent area of Russian society.

The article and research authors see the reasons for this as deeply political, basically having vested interests of certain significant actors of the Russian political field.

CONCLUSION

This article is the beginning of a large-scale study of lobbyist organizations as the conflict resolution institutes through the prism of neo-institutionalism and game theory. The lobbying *de facto* existing in the Russian Federation, as an institute of political, economic and social games, needs legal regulation and a legal status. In this case, lobbyist organizations will begin to perform functions, being completely opposite to the current ones, that is, the functions of the conflict resolution institute, through the transparency of state-public relations in all spheres of society.

ACKNOWLEDGEMENTS

The work is performed according to the Russian Government Program of Competitive Growth of Kazan Federal University.

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Received on 10-09-2020

Accepted on 26-10-2020

Published on 09-11-2020

DOI: <https://doi.org/10.6000/1929-4409.2020.09.124>

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