



i Inaugural
pl Professorial
LECTURE

THURSDAY 12 OCTOBER 2006



i Inaugural
pl Professorial
LECTURE

Machiavelli, Marketing and Management: Ends and Means in Public Affairs

Professor Phillip Harris

ABSTRACT

Niccolo Machiavelli is introduced and used as a guide to some of the key issues facing modern business and government. Machiavelli's morality and philosophy is explored and reflected upon. Insights into the realities of power and decision making are used to reflect on the emergence of the modern public affairs industry. Key lessons are suggested for success.

“One change leaves the way open for the introduction of others”

Machiavelli, The Prince

INTRODUCING MACHIAVELLI

Niccolo Machiavelli was born in 1469 in Florence of an old citizen family, whose name has become a byword for perfidy within political life since he wrote in 1513 his treatise on how to rule, *Il Principe* (*The Prince*, tr. Bull, 1961).

Machiavelli's ancestors originated from Montespertoli a short distance from Florence. The Machiavelli also possessed other properties in Florence, where they had long been established, and were among the most notable of the *popolani* (Villari, 1892). It has been suggested that his father was illegitimate (Jensen, 1960) which precluded Niccolo from being a candidate in electoral politics but did not debar him from being a public servant.

The young Machiavelli had a vigorous humanist education, was taught Latin by the best teachers and had access to classical history and ideas. Little is known about the early part of his life until in 1498, at the then very young age of twenty-nine, he was recognised by the Florentine Signoria (government) for his administrative talents and was elected to the very senior republican post of Chancellor of the Second Chancery. In addition he was also given important duties in the Council of the Ten of Liberty and Peace (formerly Ten of War), which dealt with Florentine foreign affairs, (Villari, 1892; Skinner, 1981; Viroli, 2000).

During the next fourteen years Machiavelli served Florence well, not only carrying out his secretarial and administrative duties, but also serving as a diplomat and as personal advisor to Pietro Soderini, the *Gonfaloniere* (elected leader) of Republican Florence from 1502 to 1512. Thus he was at the heart of public affairs and a first hand observer of the turbulence of Renaissance Italy and the development of the city state. It is often forgotten that he was a contemporary of Cellini, Galileo, Da Vinci, Michelangelo and Raphael and actively administered commissions and paid state funds to the latter three artists for the Republic.

Whilst in office, his journeys included missions to Louis XII of France and to the Holy Roman Emperor Maximilian in Austria. He was with Cesare Borgia in the Romagna, and after watching the Papal election of 1503, he accompanied the newly elected Pope, Julius II, on his first campaign of conquest against Perugia and Bologna. In 1507, as a Chancellor of the recently appointed Nove di Milizia (committee for the formation of a militia), he organised an infantry force which fought at the capture of Pisa in 1509. In 1512 this force was defeated by the Holy League at Prato and the Medici were returned to power in Florence. As a result Machiavelli was dismissed from office with the fall of the Florentine Republic. He suffered imprisonment and torture before retiring to his parsimony in San Casciano, where he wrote his major works. All but one of Machiavelli's works (*The Art of War*) were not published till after his death in 1527.

MACHIAVELLI'S WRITINGS

He wrote *Il Principe* in just a few months in 1513. In this he attacks “the writers” whose inconsistent moralism allows them to admire great deeds but not the cruel acts necessary to accomplish them. This small book came to be seen as perhaps the most notorious and shocking piece of literature of the Italian Renaissance and gave birth to the well known negative epithet ‘Machiavellian’ now commonly used in many languages. But before starting to write *Il Principe*, Machiavelli began a lengthy political commentary on Roman history, “*The Discourses on Livy*”. This work was never fully completed, but throws the most in depth light on the development of Machiavelli’s political philosophy and thought. It shows that he was basically a republican, who saw the state as a secular and autonomous structure relying for its survival upon human skills and mass support.

Machiavelli also wrote “*The Art of War*” whose advice on statecraft and warfare appealed to later military thinkers such as Frederick the Great, Napoleon and von Clausewitz. Other works included a number of plays, the best known of which is the comedy, “*Mandragola*” a satire on seduction which is still being performed on an occasional basis today. Numerous other minor works of both prose and poetry were written by him including *The Marriage of the Arch-Devil Belphagor* (see Gilbert 1958 for a quality translation of his significant works). In 1520, Cardinal Giulio de’ Medici secured him a commission to write a “*History of Florence*”, which he finished in 1525. After a brief re-emergence into Florentine society, Machiavelli died on the 21st June 1527.

Il Principe was never published during its author’s lifetime, and although circulating quite widely amongst his friends in manuscript form, it seems to have caused little if any controversy during Machiavelli’s life. In 1532, five years after Machiavelli’s death it was published in Rome. Subsequently Cardinal Reginald Pole in his *Apologia ad Carolum V. Caesarem* (1536) vigorously attacked *Il Principe* as a product of the devil and warned against its use by unscrupulous rulers to undermine the *respublica Christiana*. In 1559 all of Machiavelli’s works were condemned and placed on the Papal Index, this ban lasting in Italy until the early Nineteenth Century.

His words are very direct, sometimes shocking, never boring (Gilbert, 1958; Jensen, 1960; Bull, 1961; Skinner, 1981 and Wooton, 1994), and still readable today. He is one of the first modern writers to use the powerful stylistic device of the ‘either or’ choice. His epigrammatic prose lends itself to the production of high quality aphorisms, which transcend time and place and have been frequently borrowed by government servants, politicians and of course the occasional management writer (Jay, 1967; Shea, 1988; and Harris, Lock and Rees, 1998) to add depth to their comments. Fine examples are:

“Everyone sees what you appear to be; few experience what you really are”

The Prince, 1513

“Success or failure lies in conforming to the times”

Discourse on Livy, 1518

“Wars begin when you will, but they do not end when you please”

History of Florence, 1521-5

THE INFLUENCE OF MACHIAVELLIAN THOUGHT ON PUBLIC AFFAIRS



But what is the reality of ‘Machiavellian Thought’ and its influence and relevance for government? Let us begin by examining the place of the state in Machiavelli’s thought, followed by a discussion of the concepts of ‘Virtu’ and ‘Fortuna’ which are central to Machiavelli’s cyclical theory of history and government. By bringing all these together it is hoped to demonstrate that Machiavelli was not amoral, and that the maxim that ‘the end justifies the means’ attributed to him is inaccurate.

Machiavelli in *Il Principe* abandons the moral teachings of the classical and biblical traditions for a new conception of virtue as the willingness and ability to do whatever it needs to acquire and maintain what one has acquired. It is this approach which is being vigorously adopted by multi-national organisations as their public affairs management strategy to maintain and extend their competitive advantage and market dominance.

LIBERTY AND THE ROLE OF THE STATE

Many political philosophers have based their theories on the assumption that the individual is more important than the state - and indeed most people living in democracies would agree with them. Machiavelli on the other hand felt that such an idea was too simplistic and impractical.



While Locke argued that Liberty, 'tis plain, consists in a power to do or not to do; to do or to forbear doing as we will' (Locke, 1975, p.270), Machiavelli would have pointed out that such liberty is contingent upon the state being free from external domination, and internal instability. Therefore the first priority of the state is to secure its own liberty, so as to secure the liberty of its own citizens. To this end the state may use whatever means necessary for when the safety of one's country wholly depends on the decision to be taken, no attention should be paid to either justice or injustice, to kindness or cruelty, or to its being praiseworthy or ignominious. On the contrary, that alternative should be wholeheartedly adopted which will save the life and preserve the freedom of one's country (The Discourses, Machiavelli, translation, 1983, p.515).

If, as Aristotle says, the purpose of the state is to secure the good life (Skinner, 1981, p.59), should the state not take the necessary means to ensure it can carry out that function? This may sound like a pretext for fascism, but, as is shown later, Machiavelli strictly limits the use of these necessary means. We may not, quite understandably, be entirely comfortable with Machiavelli's methods, but we cannot condemn the end: after all, the end is nothing more than self-determination - an idea accepted today as a fundamental principle of democratic freedom, international law and good governance.

VIRTU AND FORTUNA

Virtu and Fortuna are terms which recur throughout Machiavelli's works, and they underlie his recommendations for good government.



Virtu has no straight forward direct English translation. It has been described as vitality, or energy and courage (Plamenatz, 1970) and the idea of a tremendous force of will and inner strength that enables one to overcome the most recalcitrant opposition and perilous adversity (Wood, 1965). In addition, virtu is a quality which may be found in states as well as individuals. This civic virtu is compounded of many ingredients, a balanced constitution, sound military organisation, intelligently planned expansion, respect for religion and the laws, and above all... liberty (Anglo, 1969).

Fortuna is a simpler concept; not surprisingly, it is essentially fortune. Machiavelli believes that circumstances, chance, or fortune can act as a restrictive force on our actions, but it need not determine our fate. In *The Prince*, fortune is compared to a river: the river will be calm at times, but will flood and cause damage at others. However the flooding can be prevented simply by taking the precaution of building dykes and embankments.

Overcoming fortune requires virtu, the virtuous man (or woman) will know how to act, as fortune requires. Success awaits the man or woman whose actions are in accordance with the times, and failure those whose actions are out of harmony with them (*The Prince*, Machiavelli, 1992 translation, p.99).

HISTORY AND GOVERNMENT

As the times change, so the fortunes of states change. It may be observed that provinces, amid the vicissitudes to which they are subject, pass from order into confusion, and afterward revert to a state of order again (The Florentine History, Machiavelli, 1960 translation, p.204). As virtue should be able to cope with these vicissitudes, the changes can also be attributed to the degeneration of virtue into corruption on the part of both individuals and the populace as a whole.

Machiavelli's advocacy of acting in harmony with the times, combined with his view of the role of the state, resulting in the prescriptions for different types of government at different times which are set out in *The Prince* and *The Discourses*. Essentially, Machiavelli believes in the need for two types of government: rule by the individual or a prince (a principality), which is necessary during a time of civic corruption; and rule by the people (a republic) during a time of stability.

Machiavelli would fully agree with Aristotle's assertion that man is the worst of all animals when divorced from law and justice, and for that reason he sees the job of the Prince as the establishment of the rule of law. The Prince may act in whatever way may be necessary to establish stability (and certainly Machiavelli suggests many ruthless and draconian measures), but it is for that particular purpose only that he may use such measures, and no other. Contrary to the popular perception, at no point does Machiavelli support tyranny (i.e. rule by one person in his own interest). For example he declares that a prince who does what he likes is a lunatic and that tyranny cannot please the good, and its licence is offensive to the wise.

The Prince's role is an interim one: effectively his job is to put himself out of a job. For when the proper laws and institutions are established, and the virtue of the populace has been restored, the populace will be fit to govern itself, having good laws for its basis, and good regulations for carrying them into effect, [the state] needs not...the virtue of one man for its maintenance. The state becomes a republic, the type of government which Machiavelli feels is best because alike in goodness and glory the populace is far superior.

Machiavelli, however, believes that men are never content with what they have, their ambition will cause corruption to spread, and the state will return to the beginning of the cycle again. Thus the state constantly undergoes changes as corruption and virtue dominate in turn.

As can be seen, Machiavelli's theories are very broad. The choice of government is reduced to principality or republic, and even then he never fully explains what course the government should take in terms of a legislative programme. There is much talk of good laws and institutions but he does not elaborate further making it difficult to conceive of a typical Machiavellian system (Berlin, 1971).

MORALITY



Machiavelli's methods are more often than not described as amoral. This is at best over-simplistic, and at worst incorrect. It is over-simplistic in the sense that Machiavelli advocated behaviour which we might consider amoral only in limited circumstances, i.e. when the liberty of the state was threatened. In effect he was supporting the granting of what we would now call emergency powers to the government, except the sort of actions permitted in those times were more appropriate to volatile and violent sixteenth century Italy than to comparatively stable twenty first century liberal democracies.

Machiavelli never suggested that amoral actions should be the norm. As was previously argued, he believed that man should always act in a way appropriate to the times, and this rule applied to morality. It is simply not practical to take the moral line always, for anyone who sets out to play the part of the virtuous man on all occasions is bound to come to grief among so many who are not virtuous. But as a general rule, the prince should seem to be merciful, true to his word, humane, honest, and religious, and he really should have those qualities. So when possible a prince should act morally.

It must be accepted, therefore, that to label Machiavelli amoral would be a generalisation and a distortion. By far the larger proportion of his work encourages actions, which are, by 21st Century standards, moral. We could push the analysis a step further and say that Machiavelli simply cannot be classified on the basis of our conception of morality, as our moral absolutism is simplistic and reflective of our times. I tend to agree with Wolin's (1960) interpretation that, for Machiavelli, there were two levels of morality or ethics: public and private. The moral worth of one was not inherently superior to the other, but if a conflict arose between the two then the one which would produce the most practical result should take precedence. In practice this meant, if necessary, taking action which was publicly moral (i.e. designed to secure the liberty of the state) at the short-term expense of private morality.

This produced a situation not where the end justified the means, but where the end dictated means of a type which rendered both the wholly good man and the wholly evil man superfluous (Wolin, 1960). Circumstances

periodically require that the government acts in ways which, to Machiavelli, will be publicly moral, but privately immoral: so how, under our conception of morality, do we classify such actions? To say they are amoral is merely an adroit way of avoiding the issue! Clearly then, morality is a redundant concept in the characterisation of Machiavelli.

My intention has not been to agree or disagree with any of Machiavelli's theories; it has been solely to attempt to clarify the character and meaning of his work, and hopefully to show that he was not what we often call 'Machiavellian'.

Machiavelli's work was exclusively for application in the public sphere; he was not concerned with private relations. The role of the government was to secure the stability, liberty and self-determination of the state. Whether the state was a principality or a republic, the ruler was never to act in his own interest; tyranny and corruption were despised and viewed as being entirely contrary to the interests of the state.

Fortune was such that it was believed that the state would inevitably become corrupt at times, and on those occasions a single ruler with great virtue would be needed to rebuild the legal system and the institutions of normal government. When this framework was in place, republican government could take over and rule would be in accordance with public and private morality.

Machiavelli would not have supported a general maxim 'that the end justifies the means'; he believed that one particular end (liberty) dictated the means. He was not amoral and unscrupulous: he simply believed that our morality was dangerously dogmatic, impractical and irresponsible. For these reasons it must be concluded that the 'Machiavellian image' of Machiavelli is nothing more than a gross distortion of somebody who observed power at first hand and suggested how it really worked.

His insight leads one to understand the complex workings of business and government and the philosophies, strategies and tools necessary to succeed in those relationships.

MACHIAVELLI'S INFLUENCE ON PUBLIC AFFAIRS



Machiavelli, in *Il Principe*, set down the reflections and lessons he had learnt from the reality of having been the second most senior civil servant in the short lived Florentine Republic in this period of turbulent Italian history. He had observed, facilitated and administered government decision making at first hand and wanted to pass best practice and reflection on to others. The short text gives realistic advice to aspiring princes and leaders of organisations and consequently it is not difficult therefore to draw parallels with the modern day. Where *Il Principe* and its doctrines interest the author is as a starting point to be able to evaluate and assess the growth of lobbying, media management and campaigning pressure group activity as part of modern marketing which internationally has come to be termed public affairs management.

Although lobbying was viewed as an alien concept in many countries until recent recognition of its more overt forms by independent regulatory bodies such as Nolan (1995), the use of lobbying within the political system has been a common phenomenon ever since the birth of politics itself. However public policy is formulated there will always be a tendency for those affected to influence the outcome. Indeed what emerges from Machiavelli's *Il Principe*, is that it is one of the first guides to the emerging realities of the government process and shows the role that influence and pressure play in state decision making. The key problem for Machiavelli was that past failures resulting from lack of strategic planning and well-thought out policies had escalated into crisis situations resulting in the whole of Renaissance Italy being engulfed in war. *Il Principe* is therefore a treatise on how the effective use of influence and power could have avoided such disasters and led to success. Parallels of the situations and the problems Machiavelli described are very evident in modern organisations and society and have stimulated an ever growing amount of management, marketing, public affairs and scientific research which utilise his ideas (Calhoon, 1969; Christie and Geis, 1970; Hunt and Chonko, 1984; Siu and Tam, 1995; Andrews, 1996; Wright, 1999; and Richmond and Smith, 2005).

Shaping the external environment by influencing government through lobbying activities or corporate campaigning which is commonly referred to as public affairs is now typical of strategic marketing management practice, whether it be for business, public or not-for-profit sectors. The relevance of such activities stems of course from the fact that there is hardly an item of legislation passed through modern parliamentary and representative government systems which does not in some way encroach upon business interests or impinge on corporate organisational goals. Changing the wording of a proposal or the insertion of a special exception in regulations can be worth substantial sums to commercial organisations and be crucial to the survival of non profit organisations' activities.

There are two competing views on the legitimacy of lobbying. There is the view that lobbyists abuse the democratic system for their own selfish interests and that the growth in the industry, particularly in the use of political consultants, requires the imposition of greater controls over lobbying activities. The alternative position is that lobbying is genuinely an intrinsic part of the democratic process because it can create a counter balance to potentially ill informed or badly thought out policy decisions. Moreover it can be argued that government liaison is necessary because the government, like the ruler in Machiavelli's *Il Principe*, cannot operate in a vacuum, but depends on others for information and advice. After all the nub of governmental policy making is having quality information and advice and as Jordan (1991) and others have argued, members of parliament are only as good as the information they receive. This is a universal rule and equally applies to politicians and government officials in Wellington, Washington, Brussels or London and their role in policy making and other parts of the legislative, executive and judicial process.

GROWTH OF PUBLIC AFFAIRS MANAGEMENT



Lobbying and public affairs management has grown considerably in the past twenty years worldwide (Harris and Fleischer, 2005). Precise information on the current scale of activity is hard to come by, due to the difficulty of choosing what to measure and the general discrete way in which lobbying has to be conducted. However, there is substantial evidence of its dramatic increase internationally (Attack, 1990; Jordan, 1991; and Spencer and McGrath, 2006). The growth of corporate lobbying and campaigning is a response to the complexities of modern business society caused by more pervasive government and an increased need for competitiveness in a global market by companies. Harris and Lock (1996) reported estimates that expenditure on commercial political lobbying in the UK, both in-house and by independent lobbyists, was between £200-300 million and that over 4000 people were directly employed in this activity. It was also estimated that expenditure at European Union (EU) level was at least one order of magnitude greater than at national level.

Recent evidence suggests that political lobbying in the EU post further enlargement is now worth over £5 billion and 18,000 personnel are involved in the activity (source author's informant). In New Zealand, Wellington has seen a steady rise in lobbyists and associated public affairs activities, much of which is associated with energy supplies, food exports and access to markets, whilst in Australia there has been a significant increase in organised activity around extraction industries and, more recently, wheat board transactions.

BUSINESS SITUATIONS IN WHICH LOBBYING AND PUBLIC AFFAIRS PLAYS A ROLE

To explain the reason for this growth I outline below a taxonomy of situations in which government is involved and suggest the relative importance of lobbying and public affairs in influencing outcomes.

1. Government as Purchaser or Allocator

a) Winner takes all

In this situation there is only one contract or opportunity to bid. The public decision is usually very visible and lobbying is very intense. Good examples are the awarding of national lottery licences, military contracts or gaining international sporting events such as the Rugby World Cup, FIFA World Cup or Olympics.

b) Large, infrequent contracts

Defence and large public works contracts are typical of this category. Increasingly failure to obtain such contracts threatens the very existence of the company or a strategic business unit with a visible and politically delicate impact on employment. Good examples are key international infrastructure projects, such as airports construction, railways and shipping complexes. Again lobbying plays an important role.

c) Regularly supplied items

Apart from highly specialised items, these are usually supplied through standard purchasing procedures, notably by competitive tender. These procedures leave little scope for lobbying, except in so far as it may be necessary to qualify a supplier to be included on the approved list or to pass any other pre-tender hurdles.

2. Government as legislator and framer of regulations

Legislation on matters such as product safety, packaging and intellectual property, and fair trading are obvious targets for business lobbying to ensure that legitimate interests are protected.

3. Government as initiator of action

There are a number of explicit circumstances in which the relevant government minister initiates action by an agency, board or similar body.

4. Government legislation and regulation

In world markets with the increasing influence of American and European directives and regulations upon product markets, proper representation of manufacturers' and marketers' interests have become critical in those areas which the EU and US is seeking to regulate via World Trade Organisation (WTO) activity.

5. Government as decision maker

There are a range of other situations where the government has de facto or de jure powers to take decisions which affect business.

In the global market place, to be competitive means increasingly being able to exert pressure on government to gain a competitive edge. Let me give two examples from one of the largest developed market places, the EU government, where if one can change the views of government, one can often gain advantage.

It has been reported (Harris, 2001) that a number of German and French car manufacturers with Japanese support successfully lobbied the EU for them to adopt catalytic converters as their preferred vehicle emissions measures. This became compulsory legislation, to the advantage of Mercedes, Audi, VW and Peugeot et al. At a stroke this wiped out NZ\$ 3 billion worth of investment by Ford in lean burn engine technology and an equivalent NZ\$ 1.5 billion investment by Austin Rover, who were also developing this technology. Both Ford and Austin Rover deemed this technology to be a lot cleaner than just using catalytic converters. They had opted to go for a higher specification system rather than the intermediate catalytic converters. Once the legislation was enacted across the EU, Ford lost its NZ\$ 3 billion investment in Research and Development and had to reinvest in catalytic converters to catch up. Austin Rover, as a result of this policy, lost its investment, could never catch up and went bankrupt. Austin Rover was broken up into a number of businesses, the bulk car manufacturing business being sold as a complete off the shelf package to the Shanghai Automotive Industry Corporation.

The second example is that Philip Morris are probably spending in the order of at least \$NZ200 million a year in Brussels trying to stop the EU and its national states bringing in similar measures to the US for compensation to meet health care risks of cancer infected tobacco smokers (Harris, 2001). The money is being used to delay legislation, which could lead to compulsory care and compensation for sufferers. In the US, it is now almost mandatory for many to get care for tobacco related diseases. By delaying the legislation Philip Morris benefit financially. Interestingly British American Tobacco (BAT) now funds a Centre for Corporate Social Responsibility at a UK university.

Other key industry areas where one can exert pressure to lobby for advantage are:

Packaging which may use only particular materials across the EU or US to meet their compulsory regulatory specifications. Clearly this can give competitive edge to certain processes and companies. It is interesting to note that recyclable packing may be forced on NZ consumers by EU and US legislative demands.

As broadcasting and associated telecoms has internationalised, the granting of licences or privatisation of public broadcasting can give strategic advantages. Good examples can be seen at Fox, Sky or Vodafone.

Health. Delays in environmental protection, tobacco legislation or alcohol abuse have an effect both on the healthcare industry and certain businesses. There is major concern at the moment on youth alcohol abuse and governments are beginning to quietly suggest to international liquor producers that if they do not put it right, then they will intervene, (source advisor to Diageo). Activity around pharmaceuticals, prescriptions and patent use is well known.

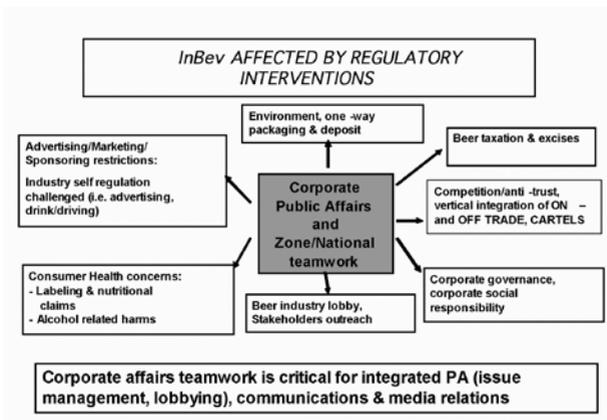
Travel/Ecology. Restricting travel and tourism may benefit the environment or may just mean that if you have the money then you can go there. Lobbying for key airport landing slots has become a major issue at WTO meetings.

Resources. Clearly, the allocation of fossil fuels, emissions control and scarce resource allocation and their availability also impact on competitive edge. Reliable and renewable electricity can give competitive advantage. Erratic and hazardous energy systems can lead to decline. People do not shop in Chernobyl any more and international investors after the Auckland blackout are expressing concern at aspects of energy infrastructure in New Zealand (New Zealand Herald, 12 June, 2006).

MEANS AND ENDS IN PUBLIC IN PUBLIC AFFAIRS

Machiavelli provides a useful guide to exploring government and where to focus influence to maintain market competitiveness. There has been significant growth over the last decade in lobbying because as government has withdrawn from its role of being owner in the economy it has attempted to regulate and set the business environment for companies to operate in. However, the more competitive companies and NGOs using issues management techniques, lobbying and media as part of public affairs management influence that regulation to their own competitive advantage (van Schendelen, 2002).

The diagram below outlines the world's largest international brewing conglomerate InBev, and the focus of its corporate public affairs activities to sustain its dominant market position. InBev operates facilities in more than 30 countries, producing lagers, premium beers, and specialty brews that are sold in 140 countries. InBev was formed in 2004 and is the world's largest brewer. Brands include Bass, Becks, Boddingtons, Hoegaarden, Labatt, Leffe, Tennents and supplied 14 per cent of the world's beer in 2004.



(Adapted from material made available to the author by Interbrew)

Machiavelli would well understand the tactics and strategy of InBev's public affairs activities and that it was taking appropriate action to guard and maintain its position.

Of course public affairs activity is not limited to large transnational companies. There are currently more than 28,000 Non Governmental Organisations (NGOs) registered in Brussels explicitly just to influence EU policy. I wonder why?

A growing trend is of course accountability and lobbying has to be seen to be of a high ethical standard with interests declared. However, if politicians have difficulties in deciding what is a declarable interest then how are we to expect other members of society and stakeholders to be able to? As society increases its demands on government for service quality delivery, so it will want its voice heard and society will become more consumer driven and government will have to become more responsive to citizen and stakeholder needs. Perhaps we can logically posit that those consumer demands in New Zealand would most probably be better roads and reliable power supplies, strengthened health and care provision and of course improved education, rather than some of the things that politicians in the past have wanted. Consumers need to lobby for that quality of life and for resources to be spent on these priority areas.

The author has recently conducted research with members of both UK Houses of Parliament, Whitehall officials and EU equivalents. What clearly emerges is that organisations can be seriously disadvantaged if they are not providing information to support their long term business positions or counter their national and international corporate competitors by providing their case to relevant bodies. Recent Public Affairs research in New Zealand and Australia further confirms its growing international strategic importance. (Lindsay and Allen, 2005 and Bell, 2006).

Lobbying and public affairs management is part of modern political marketing and communication. As politicians become increasingly isolated and short of quality information, effective lobbying fills that vacuum and allows good decision making (and of course some times bad decision making). Globalisation is meaning that to gain competitive edge trans-nationally, lobbying as part of a public affairs management strategy is essential to influence the EU, WTO, World Bank, New Zealand Government etc.

In using Machiavelli as a guide to modern public affairs, we would take from him five key principles:

1. The need to appreciate real politik, achieving ends and an awareness of real decision making, whether we deem them amoral or not.
2. Lobbying and public affairs management, he would recognise as of vital importance to maintaining competitiveness in the 21st Century.
3. The strategic importance of access and being able to influence government to gain competitive advantage and how this would often be led by the Chief Executive Officer.
4. The importance of being able to manage the political process, being able to predict election results and to exert influence in campaigns to achieve just political ends.
5. An appreciation of political marketing to be able to influence and predict the economic, political and regulatory landscape.

In the words of Machiavelli;

“All armed prophets conquered, all the unarmed perished”.

The Prince, 1513

REFERENCES

- Andrews, L. (1996), The Relationship of Political Marketing to political Lobbying: an examination of the Devonport Campaign for the Trident refitting contract. Special edition on Political Marketing edited by Harris, P. *European Journal of Marketing*, Vol.30, No.10/11.
- Anglo, S., (1969), *Machiavelli: A Dissection*, London: The Camelot Press.
- Aristotle, (1982), *The Politics*, London: Penguin.
- Attack, Steve (1990), *The Directory of Public Affairs and Government Relations*, London: Berkeley International Recruitment Consultants.
- Bell, Stephen (2006), Institutional influences on business power: how 'privileged' is the Business Council of Australia? *Journal of Public Affairs* 6, 2 May.
- Berlin, Isaiah (1971), The Question of Machiavelli, *The New York Review of Books*, 17/7, 4th November.
- Calhoun, Richard, P. (1969), Niccolo Machiavelli and the Twentieth Century Administrator, *Academy of Management Journal* June, 205-212.
- Christie, Richard and Geis, Florence, L. (1970), *Studies in Machiavellianism*, New York: Academic Press.
- Gilbert, Alan (trans), (1958), *Machiavelli: The Chief Works and Others*, Vols 1-3, Durham, NC: Duke University.
- Harris, Phil. (2001), "Machiavelli, Political Marketing and Reinventing Government", *European Journal of Marketing*, Vol. 35, N. 9/10, pp. 1136-1154.
- Harris, Phil and Fleischer, Craig (eds), (2005), *Handbook of Public Affairs*, London: Sage.
- Harris, Phil; Lock, Andrew and Rees, Patricia (eds), (1998), *Seminar Proceedings of Machiavelli at 500, Reflections on his Contribution to Management, Marketing and Political Thought*, 18-19th May 1998, Chethams School of Music, Manchester, UK.
- Harris, Phil, Lock, Andrew, and Rees, Patricia (2000), *Machiavelli, Marketing and Management*, London: Routledge.
- Harris, Phil. and Lock, Andrew. (1996), "Machiavellian Marketing: The Development of Corporate Lobbying in the UK", *Journal of Marketing Management*, 9/10.
- Hunt, Shelby D. and Chonko, Lawrence B. (1984), Marketing and Machiavellianism: *Journal of Marketing*, Summer, 30-42.
- Jay, Antony (1967), *Management and Machiavelli*. London: Hodder and Stoughton.
- Jensen, De Lamar (1960), (Ed.). *Machiavelli: Cynic, Patriot, or Political Scientist*. Lexington: D.C. Heath and Co.
- Jordan, G. (1991), (ed.), *The Commercial Lobbyists*, Aberdeen: Aberdeen University Press
- Lindsay, Alexis and Allen, Geoff (2005), Developments in Public Affairs in Australia, *Journal of Public Affairs*, 5,1, February.
- Locke, John, (1975), *An Essay Concerning Human Understanding*, (ed. Peter Nidditch), Oxford: Oxford University Press.
- Machiavelli, Niccolo, (1960), *The Florentine History*, New York: Harper & Row Publishers.

- Machiavelli, Niccolo, (1961), *The Prince* (tr. Bull, George). Harmondsworth: Penguin.
- Machiavelli, Niccolo, (1983), *The Discourses*, London: Penguin.
- Machiavelli, Niccolo, (1992), *The Prince*, London: Everyman.
- Moore, Shirley (1995), Machiavellian Characteristics Among Nurses, *Nursing Management*, 26, 5. *New Zealand Herald*, 12th June, 2006.
- Newman, Bruce, I. (1999), *Handbook of Political Marketing*, Sage, Thousand Oaks.
- Nolan, Lord Michael (1995), "Standards in Public Life", *First Report of the Committee on Standards in Public Life*, Chairman, Lord Nolan. Volume 1, May 1995. London: HMSO.
- Plamenatz, John, (1970), *Man and Society*, London: Longman.
- Pole, Cardinal Reginald (1536), *Apologia ad Carolum V Caesarem*, Rome.
- Richmond, Kelly A and Smith, Pamela C, (2005), *Machiavellian Tendencies of Non Profit HealthCare Employees*. *Journal of Healthcare Finance*, Winter.
- Rousseau, Jean-Jacque, (1968), *The Social Contract*, (tr. Cranston, M.), London, Penguin.
- Shea, Michael (1988), *Influence: How to Make the System Work for You. A Handbook for the Modern Machiavelli*. London: Century.
- Skinner, Quentin (1981), *Machiavelli*. Oxford: Oxford University Press.
- Siu, Wai-sum and Tam, Kam-chuen (1995), Machiavellianism and Chinese banking Executives in Hong Kong, *International Journal of Bank Marketing*, 13, 2.
- Spencer, Tom and Conor McGrath (2006), *Challenge and Response: Essays on Public Affairs and Transparency*. Brussels: Landmarks.
- Van Schendelen, Rinus (2002), *Machiavelli in Brussels: The Art of Lobbying the EU Amsterdam*. Amsterdam University Press.
- Villari, Pasquale (1892), *Life and Times of Machiavelli (trans by Linda Villari)*: London: T. Fisher Unwin.
- Villari, Pasquale (1888), *Life and Times of Savaronola*: London: Unwin.
- Viroli, Maurizio (2000), *Niccolo's Smile*. New York, Farrar, Straus and Giroux.
- Wolin, Sheldon S. (1960), *Politics and Vision*, Boston: Little, Brown & Co.
- Wood, Neal, (1965), *Introduction in Niccolo Machiavelli*, The Art of War, New York: De Capo Press.
- Wooton, David (1994), *Machiavelli: Selected Political Writings*, Indianapolis, IN: Hackett Publishing.
- Wright, Peter (1999), Marketplace Intelligence: Mindreading, Machiavellianism and Magic, *Advances in Consumer Research*, 26, 3.

Professor Phillip Harris



Professor Phillip Harris was a Reader in Marketing and Public Affairs at Manchester Metropolitan University, before moving to New Zealand to take up the Chair and subsequently Headship of the Department of Marketing.

Born in Southall, Middlesex, he first worked for Radio Luxembourg in London before moving to Merseyside where he worked in a number of marketing and junior management roles for Rank Hovis McDougall in the food industry. Whilst at RHM he became actively involved in community campaigning and studied part time at Birkenhead Technical College where he gained his entrance exams for University.

He subsequently studied Politics and Economic History at York University and was President of its Students Union from 1977-78 and Financial Vice Chairman of the Union of Liberal Students from 1977-79. He then joined ICI PLC as a senior management recruit and carried out a number of sales and marketing roles in the Petrochemical and Plastics Divisions of ICI before transferring to the Anglo-Italian joint venture company European Vinyl Corporation based in Cheshire and Brussels where his focus was marketing planning and corporate communications. During this period he was very active in UK politics and became Vice Chairman of the Liberal Party and a member of its senior management team which modernised that organisation

into one of the prime UK political parties. In 1992 he stood as a candidate for the UK parliament and in 1994 was unsuccessful in challenging for a European parliamentary seat.

In 1987, Phil decided to change career and moved into academe by taking up a Senior Lectureship in Business Studies at the then Manchester Polytechnic (since 1992 Manchester Metropolitan University). In 1990 he established its business project unit and was responsible for managing over 100 consultancy projects in the commercial and not for profit sectors. A member of the management team that established its MBA, MA in Public Relations and taught masters programmes. He developed a taught course in public affairs in the UK at MMU and in 1996 jointly founded the internationally regarded Centre for Corporate and Public Affairs, with support from Diageo, DLA, Granada Television, Manchester Airport PLC, Mirror Newspaper Group, PricewaterhouseCoopers, Reuters, Standard Chartered Bank, United Utilities and a number of charitable, small business and public sector interests.

Phil is a past chairman of the UK based Academy of Marketing, member of the Chartered Institute of Marketing Academic Senate and International Board of Trustees and is on the Global Marketing Board of the American Marketing Association. He is the current chairman of the Marketing Council, UK, PLC. He is International Research Director of the European Centre for Public Affairs and past chairman of its Research Committee.

He helped found the Otago Polling Research Centre in 2004 which researched the Dunedin Mayoral and 2005 New Zealand General Elections and is joint coordinator of the Political Communication, Policy and Participation Research Cluster group of the University. Research in this area is focussed on youth engagement and public affairs.

Phil is joint founding editor of the Journal of Public Affairs and a member of a number of international journal editorial and advisory boards. He has published over 150 publications in the area of communications, lobbying, political marketing, public affairs, relationship marketing and international trade in such journals as the European Journal of Marketing, Journal of Communication Management, Journal of General Management, Journal of Marketing Management, Journal of Psychology and Marketing, Journal

of Political Marketing, and Management Decision. He has published nine books and his work has been translated into Greek, Korean and Russian. His latest book is *The Handbook of Public Affairs* with Craig Fleisher, published by Sage in 2005. This follows *European Business and Marketing* with Frank Macdonald also published by Sage in March 2004 and *Machiavelli, Marketing and Management* published by Routledge in 2000. He is the author of the forthcoming *Dictionary of Marketing* by Penguin and editor in chief of the *Advanced Marketing* series of books for Sage.

He has received grants from the British Council, Chartered Institute of Marketing, EU, Economic and Social Research Council, Granada TV and Otago University to support specific research projects. He led two major British Council/EU funded initiatives from 1996 to 2004 to develop small business infrastructure and financial systems to support the nascent Belarus economy and Stock Exchange and has been active in a number of transformation countries on business projects associated with the EU. From 1996 to 2003 he was an advisor to and researched one of the largest urban self regeneration projects in the UK on behalf of the Prince's Trust, the 'Granada Community Challenge'. He has taught, examined and researched widely across Europe and North America and has been an advisor to a number of business and governmental organizations including Elf Oil, United Utilities, Granada TV, British Council, Management Consultancy Association and various not for profit organizations. He holds fellowships from the Chartered Institute of Marketing, Chartered Institute of Public Relations and Royal Society of Arts in recognition of his work.

Phil teaches across the marketing spectrum but has a particular research focus on Political and Societal Marketing especially Branding, Corporate Reputation, Corporate Responsibility and Strategic Public Affairs Management.

