

Media release

New report uncovers the extent of state capture

15th February 2022

State capture - the exercise of power by private actors to shape policy in their self-interest - is eating away at Australia's democracy, according to a new report *Confronting State Capture* from the Australian Democracy Network (ADN).

The report outlines six channels of state capture - financial, lobbying, revolving doors, institutional repurposing, research and policymaking, and public influence campaigns. This model is applied to case studies on the fossil fuel and arms trade sectors.

"Australians expect to be electing people who will represent them and their interests in the coming election, but this report shows corporations are undermining democracy to advance their interests, regardless of the election outcome." said Saffron Zomer, Network Director for the Australian Democracy Network

"State capture goes beyond the headline issues of political donations and outright corruption, and extends to re-purposing trusted government organisations like the CSIRO and the COVID commission to serve business interests" said Scott Ludlam, report co-author

"The report raises important questions about whether multi-billion dollar energy and defence contracts have been awarded under the influence of the companies that profit from them, rather than a truly independent process in the public interest" said Scott Ludlam, report co-author.

The report also recommends a package of reforms in the *Framework for a Fair Democracy* that begins to deal with these problems so that Australians can have confidence that the government represents people, not big business.

"All candidates seeking election should be explaining to voters what reforms they'd support to protect Australian democracy from being captured by big business" said Saffron Zomer

"The report also finds that there are currently no real consequences for businesses seeking to manipulate the state, or for political actors who allow it to happen." said Saffron Zomer

"Politicians and businesses can expect civil society to directly challenge those who are involved in state capture, and those who fail to defend against it" said Saffron Zomer

Full report and 2 page summary: <u>https://australiandemocracy.org.au/statecapture</u> Media contact: Tony Mohr, Australian Democracy Network tony.mohr@australiandemocracy.org.au 0402 336 416