

**The Limitations of Business Power in Australia:
A Case Study of Coal Seam Gas in Gloucester**

Katie Christie

A thesis submitted for the degree of
Doctor of Philosophy at the University of Canberra

University of Canberra

February 2019

ABSTRACT

This thesis uses a case study of a Coal Seam Gas (CSG) project in Gloucester, a regional area in the State of New South Wales (Australia), to examine the limitations of business power. The literature on the power of business is used to identify the reasons why AGL Energy exited from the Gloucester Gas Project (GGP), including the events that led up to this decision. The analysis places a particular focus on the work of Charles Lindblom, an influential neopluralist, and two of his key critics, David Vogel and Pepper Culpepper, who both identify important limitations on the power of business. Whilst the literature on business power recognises that business and government are involved in an exchange relationship – and that this relationship gives business a privileged position in the policy making process – scholars have also noted several important restrictions on business power. These restrictions on business power can originate from factors such as: interest group mobilisation, particularly when well-resourced and well-led interest groups form in opposition to business interests; the role of the media in drawing attention to an issue and generating public debate around it; changing economic circumstances that may impact on the profitability of a business operation; and practices of Corporate Social Responsibility (CSR) that lead businesses to change their strategies in order to satisfy consumer demands and, thus, ensure their continued financial success.

A largely qualitative research methodology, including semi-structured interviews, was used in this thesis to gain insight into the complexities and power dynamics associated with the GGP both before and after AGL's decision to exit from the project. A newspaper study was also used to identify media coverage and bias along with an analysis of AGL's share price and international oil and gas price data. The thesis finds that, although economic factors were the core reason for AGL's decision to exit the GGP, interest group mobilisation was another significant factor in limiting business power. It argues for greater understanding of the complexities of business power, including the role that interest groups can play in influencing business outcomes.

ACKNOWLEDGMENTS

This Ph.D. journey is not one I thought I would ever undertake, yet it has been an incredibly enriching experience that I will always cherish. Apart from the knowledge I have gained, it has brought with it sacrifices and pains which have been extended to those around me, and whom I have relied upon for support, understanding, assistance and expertise.

Firstly, a huge thank you to my supervisors Paul Fawcett, David Marsh and Lain Dare. Paul, thank you for the long hours spent, especially towards the end of my thesis. David Marsh, for the enormous time devoted throughout the duration of my Ph.D., including many Skype sessions from across the world. I am one of the few Ph.D. students that is so privileged to have your guidance and support. Lain, my sincere gratitude to you for your assistance, particularly with fieldwork. Lain and Selen Ercan, thank you for always having your door open for a simple chat or assistance, where no issue was ever too big or too small.

I must express my appreciation to my wonderful Institute for Governance and Policy Analysis (IGPA) family and cohort of PhD students that I have also felt so privileged to be a part of. You have all brought so much joy to this experience and I am going to miss you all immensely. The moral support of your peers is so important when writing a Ph.D. In particular, thank you to my friend Marion for your kindness and friendship.

Thank you, Sharon and Terry Rosenblatt, for making my experience in Gloucester as enjoyable and as smooth as possible. You were such wonderful company. The Gloucester community were so welcoming and accommodating – thank you all. I'm grateful for the generosity of my dear friends Ellen and Saskia and my sister in law Anne and her partner Jonny. Thank you for always welcoming me into your homes and making me feel so comfortable during commutes to Canberra and always.

A special thanks goes to my parents. Thank you for your ongoing support for my education and I hope that you can appreciate this topic as much as I do. Last, and certainly not least, my

husband Alex. I will be forever grateful for your resilience. You have had my back through all of this and I wish that I could give you part of it.

I dedicate this thesis to my Pop and Grandma Singleton who have encouraged and supported my endeavours since I was a young girl. I hope that I have made you proud.

TABLE OF CONTENTS

AUTHORSHIP OF THESIS	i
ABSTRACT	iii
ACKNOWLEDGMENTS	v
TABLE OF CONTENTS	vii
LIST OF ABBREVIATIONS	xiii
LIST OF FIGURES AND TABLES	xv
PREFACE	xvii
CHAPTER 1 INTRODUCTION	1
1.1 The Power of Business.....	1
1.2 Coal-Seam Gas in Australia: A Good Case for Studying the Power of Business	4
1.3 The Aims of this Research	8
1.4 The Thesis Structure	9
CHAPTER 2 LITERATURE ON THE POWER OF BUSINESS: EXCHANGE RELATIONSHIPS, THE MANIPULATION OF VOLITITONS AND NOISY POLITICS	11
2.1 Introduction.....	11
2.2 The Origins and Development of Pluralism	11
2.3 From Classical Pluralism to Neo-Pluralism.....	14
2.4 Charles Lindblom.....	15
2.4.1 Democratic Politics as an Exchange Relationship.....	15
2.4.2 Structural Power and the Manipulation of Volitions	16
2.5 David Vogel.....	20
2.5.1 The Fluctuating Fortunes of Business.....	20
2.5.2 The Role of Interest Groups.....	21
2.5.3 The Role of Corporate Social Responsibility	22
2.6 Pepper Culpepper.....	25
2.6.1 Political Salience and Corporate Control.....	26
2.7 The Power of Business After the Global Financial Crisis	30
2.8 The Australian Mining Tax.....	32
2.9 Business Power and the Gloucester Gas Project.....	39
2.10 Conclusion	42
CHAPTER 3 COAL SEAM GAS – AN OVERVIEW OF THE KEY ISSUES	43
3.1 Introduction.....	43

3.2 Coal Seam Gas	45
3.3 Unconventional Gas Production in the United States	48
3.4 Mining in Australia	50
3.5 Queensland: An Early Pioneer	52
3.6 Coal Seam Gas in New South Wales	55
3.7 Government Policy on Coal Seam Gas in New South Wales.....	58
Source: DPERE, 2014, p. 9.....	66
3.8 The Legal Framework Pertaining to Coal Seam Gas.....	68
3.9 Conclusion	70
CHAPTER 4 KEY ARGUMENTS FOR AND AGAINST COAL SEAM GAS: A FOCUS ON NSW	71
4.1 Introduction.....	71
4.2 Economic Growth and Energy Security	71
4.3 Land Access	76
4.4 Water Loss and Contamination.....	81
4.5 Climate Change.....	83
4.6 Community Consultation and Trust.....	84
4.7 Conclusion	86
CHAPTER 5 THE GLOUCESTER GAS PROJECT.....	89
5.1 Introduction.....	89
5.2 The Gloucester Region	89
5.3 The Gloucester Gas Project	92
5.4 AGL Energy’s Shift Towards Renewable Energy.....	104
5.5 Pressure Groups and the Gloucester Gas Project.....	107
5.6 Conclusion	112
CHAPTER 6 METHODOLOGY	113
6.1 Introduction.....	113
6.2 Interpretation and Reflexivity in Qualitative Research	113
6.3 Case Study Selection.....	116
6.4 Semi-Structured Interviews	119
6.5 Photo Elicitation.....	124
6.6 Media Reporting and Content Analysis	129
6.7 The Economic and Financial Context.....	130
6.7 Conclusion	131

CHAPTER 7 INTEREST GROUP MOBILISATION AND THE GLOUCESTER GAS PROJECT 133

7.1 Introduction..... 133

7.2 Concerns and Motives: Supporters of the Gloucester Gas Project 133

 7.2.1 Employment and Economic Growth..... 134

 7.2.2 Balancing Environmental with Economic Concerns 137

7.3 Concerns and Motives: Opponents of the Gloucester Gas Project 139

 7.3.1 Sustainable Economic Growth..... 140

 7.3.2 Water and Flood Plains 141

 7.3.3 Economic Easements and Property Prices 142

 7.3.4 Science and Risk 143

 7.3.5 Health..... 145

7.4 Interest Group Mobilisation..... 148

 7.4.1 Supporters of the Gloucester Gas Project 148

 7.4.2 Opponents of the Gloucester Gas Project 150

7.5 Protest and Community Division..... 153

 7.5.1 Supporters of the Gloucester Gas Project 153

 7.5.2 Opponents of the Gloucester Gas Project 156

7.6 Democracy and Trust: Supporters of the Gloucester Gas Project 162

 7.6.1 Trust Towards the Government 162

 7.6.2 Trust Towards AGL Energy 163

 7.6.3 Trust Towards Other Pressure Groups..... 164

 7.6.4 Trust Towards Community Consultation Processes 165

7.7 Democracy and Trust: Opponents of the Gloucester Gas Project 169

 7.7.1 Trust Towards the Government 169

 7.7.2 Trust Towards AGL Energy 172

 7.7.3 Trust Towards Other Groups 176

 7.7.4 Trust Towards Community Consultation Processes 177

7.8 Conclusion 178

CHAPTER 8 THE MEDIA, PUBLIC DEBATE AND THE GLOUCESTER GAS PROJECT 181

8.1 Introduction..... 181

8.2 Coal Seam Gas and Media Coverage..... 182

8.3 The Role of the Media: Supporters of the Gloucester Gas Project..... 184

8.4 The Role of the Media: Opponents of the Gloucester Gas Project..... 186

8.5 Social Media	188
8.6 Media Influence and Its Impacts	191
8.7 Conclusion	191
CHAPTER 9 MEDIA SCANDALS, NOISY POLITICS AND THE GLOUCESTER GAS PROJECT.....	193
9.1 Introduction.....	193
9.2 ‘Law on the Run’	194
9.2.1 Community Reaction	195
9.3 BTEX Chemicals	198
9.3.1 Community Reaction	199
9.4 Undeclared Party Political Donations	201
9.4.1 Community Reaction	202
9.5 The Manipulate of Volitions – A Case of Very Noisy Politics	205
9.5.1 Opponents of the Gloucester Gas Project	205
9.5.2 Supporters of the Gloucester Gas Project	207
9.6 Media Scandal and the Power of Business	209
CHAPTER 10 ECONOMIC FACTORS AND AGL ENERGY’S DECISION TO EXIT THE GLOUCESTER GAS PROJECT	213
10.1 Introduction.....	213
10.2 Revisiting the Gloucester Gas Project	214
10.3 AGL Exits the Gloucester Gas Project	216
10.4 Costs and Delays.....	218
10.5 AGL Energy’s Share Price.....	220
10.6 The Gas Market and International Gas Prices	225
10.7 Reflections on the Gloucester Gas Project and its Economic Viability.....	226
10.7.1 Supporters of the Gloucester Gas Project	227
10.7.2 Opponents of the Gloucester Gas Project	230
10.8 Reflections Following the Cancellation of the Gloucester Gas Project.....	232
10.8.1 Supporters of the Gloucester Gas Project	232
10.8.2 Opponents of the Gloucester Gas Project	235
10.9 Conclusion	240
CHAPTER 11 CONCLUSION.....	243
11.1 Introduction.....	243
11.2 Research Findings	243
11.2.1 How noisy was the debate?.....	244

11.2.2 How influential was interest group mobilisation?	244
11.2.3 What was the role of the media in relation to the manipulations of volitions? ..	248
11.2.4 How important are contextual and economic factors in determining the power that business holds?.....	249
11.2.5 What are the key factors that constrained business power in this case?.....	250
11.3 Contributions to the Literature on the Power of Business	251
11.3.1 Empirical Contributions.....	251
11.3.2 Theoretical Contributions	252
11.4 Limitations	254
11.5 Future Research	255
REFERENCES.....	257
APPENDICES	291
Timeline of key events.....	291

LIST OF ABBREVIATIONS

ABC	Australian Broadcasting Corporation
ACF	Australian Conservation Fund
AEMR	Australian Energy Market Report
AFR	Australian Financial Review
AGL	AGL (Energy)
APEA	Australian Petroleum and Exploration Association
BGSPA	Barrington Gloucester Stroud Preservation Alliance
BSAL	Biophysical Agricultural Land
BTEX	Benzene, Toluene, Ethylbenzene and Xylene
CCC	Community Consultation Committee
CBM	Coal Bed Methane
CEO	Chief Executive Officer
CSIRO	Commonwealth Scientific and Industrial Research Organisation
CSG	Coal Seam Gas
CSR	Corporate Social Responsibility
DPEAA	Department of Planning and Environment Assessment Act 1979
DRE	Department of Resources and Energy (New South Wales)
DTIRIS	Department of Trade and Investment, Regional Infrastructure and Services (New South Wales)
EDO	Environmental Defenders Office
EIS	Environmental Impact Statement
EPA	Environmental Protection Authority
EPA (Act)	Environmental Planning and Assessment Amendment (Act) 2007
EPBC	Environmental, Protection and Biodiversity Conservation (Act) 1999
FTCS	Fuel Tax Credits Scheme
GBC	Gloucester Business Chamber
GDP	Gross Domestic Product
GFC	Global Financial Crisis
GGP	Gloucester Gas Project
IPART	Independent Pricing and Regulatory Tribunal
KNAG	Knitting Nanna's Against Gas

LNG	Liquified Natural Gas
MP	Member of Parliament
NGP	Narrabri Gas Project
NSW	New South Wales
OCSG	Office of Coal Seam Gas (New South Wales)
OECD	Organisation for Economic Cooperation and development
PAC	Planning and Assessment Commission (New South Wales)
PEL	Petroleum Exploration Licence
PhD	Philosophy Doctorate
PR	Public Relations
QIC	Queensland Investment Corporation
REF	Review of Environmental Factors
RMIT	Royal Melbourne Institute of Technology
RSPT	Resources Super Profits Tax
SAL	Strategic Agricultural Land
SMH	Sydney Morning Herald
SRLUP	Strategic Regional Land Use Policy
SSD	State Significant Development
US	United States
WWP	Waukivory Pilot Project

LIST OF FIGURES AND TABLES

Figure 1. Geological Settings for Conventional and Unconventional Gas	46
Figure 2. Map of Australia’s Energy Infrastructure.....	47
Figure 3. Map of Conventional and Unconventional Gas Reserves in Australia	52
Figure 4 NSW Government Regulatory Bodies prior to 2015	60
Figure 5 NSW Government Regulatory Bodies from 2015.....	60
Figure 6. Map of Petroleum Titles and Applications Before the Licence Buyback (April 2011)	66
Figure 7. Map of Petroleum Titles and Applications After the Licence Buyback (November 2014)	66
Figure 8. Petroleum Exploration Licences in New South Wales (December 2016)	67
Figure 9. Gloucester and the Gloucester Gas Project in Regional Context	90
Figure 10. Map of the Waukivory Pilot Project and Petroleum Export Licence 285	93
Figure 11. Well Locations for the Waukivory Pilot Project	95
Figure 12. Localised Map of the Gloucester Gas Project beside other Mining and Community Locations.....	96
Figure 13. Photo of NSW Parliament	126
Figure 14. Photo of a Failed CSG Operation During the Fracking Process	126
Figure 15. Photo of a Protest at Bulli Oval in the Illawarra	127
Figure 16. AGL Energy’s Share Price	222
Figure 17. ASX 200 Utilities	222
Figure 18. International Gas Prices.....	225

Tables

Table 1. Timeline of Key Events Concerning Gloucester Gas Project	98
Table 2. Table of Interest Groups	111
Table 3. First-Round Interview Participants (November-December 2015)	121
Table 4. Second-Round Interview Participants (February 2016)	121
Table 5. First-Round Semi Structured Interview Questions (November-December 2015)	123
Table 6. Second-Round Semi Structured Interview Questions (February 2016)	124
Table 7. Content Analysis of Five Australian Newspapers	183

PREFACE

The system of liberal democracy today, in countries such as the United States (US) and Australia, is often described as pluralist. In and of itself, pluralist theory is underpinned by the idea that power between interest groups is fluid, unstable and constantly changing as part of a broader contest of ideas (Hill, 2005, p. 28). More specifically, this means that the particular interests of any one group do not have any overall strategic advantage, or determining effect, over policy decisions to the detriment of any other particular group (Dryzek and Dunleavy, 2009, p. 35). Nevertheless, since the evolution of neopluralism, most scholars have argued that pluralist theory has certain limitations and can only take us so far when it comes to understanding the policy process and policy outcomes. In particular, many neo-pluralists have argued that business, and certain other interest groups, can occupy a privileged position in the policymaking process in what can subsequently evolve into a more or less structured relationship between government and business (Lindblom, 1977, Vogel, 2003, Culpepper, 2010). Yet, the idea of pluralism remains a popularly taught concept and widely embedded understanding of the way in which government policy is made in most Western liberal democracies (Hill, 2005, p. 35).

It was this interest in pluralism and its limits that first sparked my interest in exploring the power of business in Australia. This interest started during my fourth-year undergraduate honours thesis when I examined the policy motives for population growth in Australia. In my thesis, I argued that short-term economic growth was the core goal that underpinned the government's policy on population growth in Australia and that it was this feature that helped to explain why it was more economically viable to employ skilled migrants from overseas, rather than train Australians in similar roles. Given this focus on short-term economic growth, I argued that long-term concerns were often ignored in population planning, including forecasting around core issues such as urbanisation, infrastructure planning and, perhaps most significantly, environmental preservation. Motivated by this interest, I wanted to explore these ideas further using a case study that could be viewed as best exemplifying business power and the exchange relationship between government and business. This led me to focus on the topic of Coal Seam Gas (CSG), which I viewed as a case in which a strong exchange relationship existed between government, on the one hand, and business, on the other. It was also a case where I could see that a number of core themes emerged, such as the tension between short-

term economic growth and longer term considerations about the Australian environment, for both current and future generations. Whilst the contemporary literature on the power of business tends to assume that business occupies a privileged position in the policymaking process, I wanted to further unpack business power in order to better understand its limits. I could see how this case study could be used to both explore existing theories on the power of business, as well as considering the challenges that companies can face in achieving their business goals given the eventual result in this case, which was AGL's decision to exit from the GGP.

CSG, like all unconventional gas, was also an under-researched area at the time that I started my research, particularly when it came to analyses that took a more political or social perspective. However, public interest had also grown in this area, particularly since the release of the film *Gasland* in the US, which was broadcast in Australia in November 2010. *Gasland* was important because it drew public attention to the legislative exemptions that the Government had granted to the gas industry in the US (Gasland, 2010). There were references in the film to the Government allowing business legislative exemptions from certain environmental protections in an attempt to highlight the exchange relationships that existed in this case between the Government, on the one hand, and the gas and energy industry, on the other (Centner and O'Connell, 2014, p. 359). Indeed, the concerns raised in the film about the lack of the application of the precautionary principle is a common theme amongst critics of unconventional gas exploration and production (Manning, 2012, p. 163). In response to this film and growing community concern about CSG, various interest groups quickly formed around this issue. These interest groups started to voice various concerns about CSG, including the criticism that the gas industry, through the Government, were prioritising short-term economic growth at the expense of environmental considerations and the needs of future generations.

By the time that CSG exploration had commenced in the state of New South Wales (NSW), a public debate had already started to emerge about CSG and its putative risks, despite the promotion of gas as a greener alternative to coal in some of the other states in Australia, including Queensland (Wearing et al., 2014, p. 50). Over time, further noise and public debate was generated around the issue, including in the Gloucester region and around the GGP, which

is the particular case study examined in this thesis (Sherval and Hardiman, 2014, p. 185). It had become clear through the media that interest groups had mobilised both in support of and against the GGP, and, for some, this was seen as posing a significant challenge for the future viability of the CSG industry in NSW (Lloyd et al., 2013, p. 161, Coulton and Loussikian, 2016).

More generally, this interest group behaviour and mobilisation was often undertaken by volunteers from the Gloucester region, who devoted significant amounts of their own time and energy to conducting research with the aim of highlighting issues that they believed had been left deliberately out of sight by both business and government. Thus, long hours were dedicated by those who were both for, and against, the GGP through their participation in activities such as: regular weekly meetings; protests; networking on social media; researching key issues and scandals; and in forming relationships and collaborations with those who would support their cause. Much of this activity was also directed towards threatening AGL Energy's reputation and brand, as the company who owned the GGP.

As such, conducting interviews in Gloucester was an insightful experience into these issues and the motives of those who were involved in either supporting or opposing the GGP. Many participants not only spoke of their concerns about an 'unhealthy' exchange relationship between business and government, but also their worries and concerns about the disputed environmental and health ramifications of CSG, as well as the considerable time that they had sacrificed in the pursuit of their cause. Opponents of the GGP also often expressed little to no faith in either the Government or business recognising and meeting the needs of future generations. In many cases, those who I spoke with also reflected more personally about the tensions and sometimes outright hostility that the GGP had caused within the community. In some cases, this had extended into community members who had also struggled with mental health issues that they attributed to the GGP and the stress that it had caused.

Others spoke about their experiences more tactically. For example, members of Groundswell Gloucester, the main interest group that had formed in the region in opposition to the GGP, spoke about the importance of image and reputation for businesses. This included the

importance of businesses projecting an image of economic sustainability and solutions directed towards the long-term interest of its shareholders. Acknowledging this, Groundswell Gloucester therefore made it one of their primary missions to attack AGL's reputation in the media in every way and at every opportunity that they could (MidCoast Council NSW, 2017). As such, importantly, Groundswell Gloucester's activities were directed not just towards Government, but also towards the business itself in order to damage their brand and reputation within the community. These activities were ultimately viewed as being important in helping to explain Groundswell Gloucester's tactics and AGL's eventual decision to withdraw from the GGP.

However, throughout my interviews in Gloucester, there were also the generational farmers who had lived a particular lifestyle on the land and did not view the changes that were inevitably happening around them in a positive light. They often spoke about the threat of rural decline to small communities across NSW, particularly since the deregulation and subsequent closure of many key industries in the region. Many of these residents simply wished to continue their livelihoods and viewed the CSG industry and the jobs that it would bring as a way that they could protect the region for future generations in a region that had already suffered from considerable economic decline (Cronshaw and Grafton, 2016c, p. 286).

In conclusion, this short Preface provides further insight into the intricacies and complexities faced by one community in NSW, but this message reverberates in different ways across the many communities in Australia where concerns have been raised about the risks associated with the CSG industry. The remainder of this thesis opens up a window on the relationship between AGL and the Government by exploring the strengths and limits of business power in relation to one CSG exploration project located in Gloucester, NSW. It does so through an in-depth examination of the GGP and by locating this analysis in key contemporary debates in the literature on the power of business.

CHAPTER 1

INTRODUCTION

Lindblom's classic work, *Politics and Markets* (1977), argues that business has a strategic advantage when it comes to policy making in contemporary liberal democracies, based on the crucial exchange relationship that exists between it and the government. However, more recently, the literature has taken issue with Lindblom, arguing that there are significant limitations on business power (Vogel, 2003, Culpepper, 2010). This thesis develops these critiques by exploring the limitations of business power in Australia, through a case study of the Gloucester Gas Project (GGP), a CSG project in the state of NSW, Australia. CSG has been a controversial topic globally and in Australia, but it is a particularly noisy issue in NSW where it has faced strong opposition that has been facilitated by interest groups and social movements. Interest groups opposed to CSG have become much more visible in the past decade, aiming to challenge both the government and business's commitment to CSG, and driven by a focus upon protecting land, water and, more broadly, the environment. Mining in Australia has always been a controversial topic within communities and, thus, CSG provides a good case for examining the exchange relationship between business and government, in a situation in which there is a significant challenge to business from within civil society. As such, this case study of the GGP allows me to explore the issues raised by Lindblom, Vogel and Culpepper, discussed at length in Chapter 2.

1.1 The Power of Business

The literature on the power of business has its origins in pluralism and particularly critiques of pluralism through what is usually termed neo-pluralism. Pluralism focuses on competition between interest groups and institutions in society and argues that power is not concentrated and is continually changing (Dryzek and Dunleavy, 2009, p. 35). Neo-pluralism was developed as a critique of the elitist nature of pluralism, and it included, of course, Marxist perspectives (Baggott, 1995, p. 37, Savigny and Marsden, 2011, p. 139). Charles Lindblom's work, *Politics and Markets*, was seminal in this case. Lindblom argued that business and government have an exchange relationship: each has something the other wants. Decisions by business about investment, jobs, wages etc. are crucial for the government's re-election chances, so government needs to keep business onside. In contrast, the government controls decisions

about taxation, regulation, infrastructure investment etc., which crucially affect businesses and their profitability. Lindblom also emphasised that business can keep key issues that concern them off the political agenda, and thus, away from public debate (Lindblom, 1977, pp. 203-205). Often this was achieved by convincing the public that the interest of business was synonymous with the country's interest; in the past, the phrase used was 'what is good for General Motors is good for America'. Lindblom terms this process the "manipulation of volitions" (Lindblom, 1977, p. 203).

Lindblom has been heavily criticised for overestimating the power of business, failing to acknowledge that business can lose, and the circumstances in which this happens. In this Chapter, I focus on David Vogel and Pepper Culpepper as the key critics of Lindblom. They both acknowledge that business does sometimes have a privileged position in policy making but emphasise that there are also limitations on its power. The core of Vogel's argument is that the power of business in America has been unstable and forever changing. In particular, he argues that business is more powerful in America when the economy is under threat (Vogel, 2003, p. 8). He also contends that interest group mobilisation is a key limitation to business power and that groups that oppose business are more effective if they have strong leadership, time, resources, expertise and good relationships with the media. These resources, Vogel argues, can lead to successful interest group mobilisation, which is an effective way of limiting business power (Vogel, 2003, p. 101-102).

In the interim period following Vogel's work on business power, and with the rise of neoliberalism, research on the power of business was a largely neglected subject (MacKinnon and Cumbers, 2014, p. 106, Culpepper, 2015, p. 392). However, the 2008 Global Financial Crisis (GFC) led to a burst of new research, with Culpepper's work provoking most interest (Culpepper, 2010). His work focuses both on how business exercises power and the constraints that it encounters in this process (Culpepper, 2010, p. 198). Thus, like Vogel, Culpepper sees interest groups and the media as crucial constraints on the power of business. In particular, Culpepper argues that the media plays a major role in putting an issue on the agenda, such that the government finds it difficult to ignore if they wish to be re-elected. For Culpepper, it is interest groups which, through their use of the media, can turn a low salience issue, which a government can ignore, into a high salience one, which they can't (Culpepper, 2010, pp. 3-6).

This is because “Business frequently loses political battles when the general public pays attention to them, because when the general public pays attention to issues, political parties start paying attention to the opinion of the median voter” (Culpepper, 2010, p. 6). Or, to put it another way, such interest group mobilisation can undermine business’s success in manipulating volitions. The median voter, through interest group mobilisation can shape political outcomes and, thus, affect business outcomes. The median voter can also mobilise by using their expertise, time, resources, networks and relationships with the media, to place an issue of concern on the public agenda, with the effect that politicians feel that they have little or no choice but to respond to the issue.

Both Culpepper and Vogel argue that interest group mobilisation can draw attention to issues that are placed off the public agenda (Culpepper, 2010, p. 4). Issues that are deliberately kept off the agenda and are not discussed in the public realm are referred to by Culpepper as low salience issues, and by Lindblom as grand majority issues : they are only focussed upon by business and government (Culpepper, 2010, p. 4). According to Culpepper and Vogel, if these issues are brought into public debate, the government is much more likely to feel compelled to respond to such issues.

In Australia, concerns about the power of business have been relatively little discussed, with much of the recent literature focused on the case of the Resources Super Profits Tax (RSPT); a literature which I briefly review in Chapter 2. It was a case which involved extensive lobbying campaigns on both sides; indeed, Mitchell (2012, p. 39) sees it as the fiercest ever lobbying campaign in Australia. In the end, the tax was withdrawn, with some observers claiming that this illustrated the power of the large mining companies that were going to be subject to this new tax. In particular, some researchers claim that the mining industry was able to mount a successful public relations (PR) campaign to convince the public that the tax was not good for business, and, thus, no good for Australia. Conversely, very little research has been done on the power of business in Australia with respect to the controversy surrounding CSG exploration.

1.2 Coal-Seam Gas in Australia: A Good Case for Studying the Power of Business

CSG was originally branded as a green alternative to conventional fossil fuels. With technological advancements improving the hydraulic fracturing (fracking) process, large amounts of gas can now be extracted (Curran, 2017, p. 427). With a price rise in non-renewable energy, countries such as the US and Australia have also been searching for other energy alternatives. This was particularly facilitated by the Queensland Gas Scheme in 2005 which aimed to increase the use of gas, by allowing production to reach commercially viable volumes for export on the international gas market (Cronshaw and Grafton, 2016c, pp. 286-287).

Although CSG was originally promoted as a sensible fuel alternative to conventional fossil fuels, the public perception has largely shifted, in part as a result of the release of the film *Gasland* in the US in November 2010, which raised concerns about the environmental and health risks associated with CSG. The film reported that the Bush administration had excluded the gas industry from key legislation which protected the environment. It was an important intervention in raising public debate on the issue. However, the controversy over CSG has also revolved around the method of fracking that is used to retrieve the gas (Snashall and Genter, 2017, p. 544, *Gasland*, 2010, Curran, 2017, p. 427).

During the process of fracking, large quantities of water are used, often by pumping water, sand and chemicals into wells with the aim of releasing gas that is trapped in coal seams (Ahmed and Meehan, 2016). This has created major concerns about water contamination, as communities fear the leakage of gas and damage to aquifers, particularly as it has been argued that so few studies have been undertaken on the risks associated with these practices (Davies, 2016b, p. 10981-10989).

Concerns for climate change have also exacerbated these fears, as much of the Western world has been transitioning towards a renewable energy future, away from a focus on fossil fuels. In this context, communities across Australia argue that short-term economic growth is being placed before long-term concerns about the wellbeing of people today and future generations, and that the precautionary principle is not being applied. As Australia is a signatory to the Paris Agreement with a goal to reduce emissions by 2030, many argue that little is being done in

Australia to reduce the effects of climate change, which is causing it to lag behind the rest of the western world (DEE, 2015, Evans and Phelan, 2016, p.229). Not only do interest groups see these environmental considerations not being addressed, they also stress that communities are not having their concerns heard since the opportunities for effective community consultation have not been provided. Anti-CSG groups, particularly in NSW, have argued that CSG companies lack a social licence to operate and have opposed drilling using protests, blockades and other forms of interest group mobilisation. These activities, in Culpepper's terms, bring the issue into the noisy arena of politics, and drive additional costs for CSG companies (Wakatama and Evans, 2016, p. 22, De Rijke, 2013a).

Another key concern that leaves communities feeling powerless is the issue of land ownership. The fact that land below subsurface level is owned by the Crown, as stated in the Australian Constitution, leaves communities with little protection and no power to prevent CSG industries from carrying out CSG activities on their land (Randall, 2014, p. 153). This has caused enormous controversy, leaving landholders who do not support CSG feeling helpless, and reportedly leading to mental health issues amongst those affected by it (Willacy, 2015).

In 2010, the Lock the Gate Alliance formed in response to these concerns, with farmers across Australia locking their gates to the coal and gas industries (Lock the Gate Alliance, n.d.). In addition, Knitting Nannas Against Gas (KNAG), an international network of women, has been active in Australia, staging peaceful protests against fossil fuels and promoting sustainable energy alternatives (KNAG, n.d.-a). These larger networks also have connections with other interest groups across Australia, particularly local groups like those that developed in Gloucester.

Indeed, Gloucester presents a prime example of the strong backlash experienced by interest groups in opposition of CSG, and also illustrates the tensions which can develop in a community over an issue like CSG. The GGP began in 2008 and was later approved by the NSW for Stage One in 2011, which allowed AGL to drill 110 gas wells (AGL Energy, 2015a). However, significant controversy erupted including three media scandals involving interest groups who had revealed these stories to the public. These stories concerned: changing the

Environmental and Planning Act to enable the GGP to go ahead without a Environmental Impact Assessment (EIS) (DFE, 2014d); the funding of BTEX chemicals that were unreported for two weeks (Hannam 2015); and unreported political party donations (Hannam, 2016). These events were believed to be caused by an exchange relationship between business and government.

AGLs share prices dropped during each media scandal, however, AGLs share price rose, as a new CEO was hired who endeavoured to change the business image of AGL as a greener energy alternative (AGL Energy, 2018). In 2015, the price of gas internationally dropped. AGL exited the GGP in February 2016 (ASX, 2018).

In Gloucester, the previous exit of key industries, such as the forestry industry and the dairy industry, led to an economic decline, that has only partly been addressed by a growth in tourism (Sherval and Hardiman, 2014, p. 188). More recently, Gloucester has also seen an influx of incomers, particularly retirees and people with strong environmental values, often called ‘treechangers’ by long-term residents, which has changed the dynamic within the community. This demographic change has been a threat to long-term residents who wish to see more successful industries, large and small, in Gloucester, and have mostly supported CSG (Gibson and Connell, 2011, pp. 64-65). As such, since AGL’s purchase of the GGP in 2008, and rising community concern about CSG, the community of Gloucester has been divided on whether to support or oppose CSG exploration in their region. This has led to the formation of interest groups on both sides of the issue, each mobilising for what they view as best future for the Gloucester community (Sherval and Hardiman, 2014, p.185). Indeed, interest group mobilisation among groups opposing CSG has been particularly strong, with the main local opposition group, Groundswell Gloucester, spending considerable time networking, protesting, researching and reporting their findings to the media. As most Groundswell Gloucester activists are also educated retirees, they have been able to spend significant time and resources in mobilising against AGL, in an effort to tarnish its brand.

In this context, the media has also been responsible for bringing the issue of CSG in Gloucester to the attention of the public. The impression that the media coverage of the CSG debate was anti-CSG is explored later in this thesis through a content study of major Australian newspapers coverage of the issue. However, for now, the main point to make is that the role of the media

is obviously an important issue and one highlighted by both Vogel and Culpepper. They also highlight how media coverage of scandalous news stories can move an issue that was once kept off the agenda and make it one that is at the fore of the public's concern (Culpepper, 2010, p. 7). In Gloucester, three 'scandals' were identified as being particularly important in raising the media profile surrounding the Groundswell Gas Project. These scandals were heavily covered in newspapers and they are discussed in detail in Chapter 8. The argument, in this Chapter, is that these news stories seemed to damage AGL's reputation and contribute to the demise of the GGP. Here, the relationship between interest groups and the media, in relation to the power of business, is also clear. This is an important point emphasised by Vogel who stresses that interest groups concerned to constrain the power of business must form relationships with the media and get them onboard (Vogel, 2003, pp. 64-67).

Certainly, Groundswell Gloucester was able, through the media, to place significant pressure on AGL to exit the GGP and change their business strategy, away from a focus on fossil fuels and towards renewable energies (AGL Energy, 2016e). Interestingly, this is exactly what AGL did in February 2016 when they exited the GGP, although they claimed that their actions were purely a business decision and not dependent on any other influences (AGL Energy, 2016f). Significantly, a year earlier AGL had appointed a new Chief Executive Officer (CEO), Andrew Vesey, who announced that they were moving to a renewable energy future, with the goal of assisting Australia in meeting their emission targets, in accordance with the Paris Agreement (Tasker and Durie, 2014). This earlier move had many people questioning whether AGL had made its decision to exit the GGP long before 2016 and whether interest group pressure had forced AGL to change their business strategy to satisfy their shareholders and ensure future business success.

In conclusion, this brief introduction to the case indicates why it is an interesting one for studying the limitations on the power of business. Here, a powerful company did not achieve its aim, despite support from the Government. In part, AGL's withdrawal may have resulted, as the company claimed, from an economic decision, given that gas prices were falling and the reserves in Gloucester were less than it had first estimated. However, the role of interest group mobilisation and the use of the media to turn the issue into a noisy one was also important. Both these factors have been highlighted by Vogel and Culpepper in their discussion on the

limitations on business power, and their arguments will be returned to at regular intervals throughout this thesis.

1.3 The Aims of this Research

This thesis uses a case study of the GGP to explore some of the factors that can limit business power. It utilises the power of business literature, and particularly the works of Lindblom, Culpepper and Vogel, to identify the extent to which, and the ways in which, the noisiness of the issue, interest group mobilisation efforts and the media can limit business power. More specifically, my aim is to assess the extent to which AGL's decision to exit the GGP in 2016 was affected by these factors. In addressing these aims, this thesis answers five research questions:

1. How noisy was the debate?
2. How influential was interest group mobilisation?
3. What was the role of the media in relation to the manipulation of volitions?
4. How important were contextual and economic factors in influencing AGL's decisions?
5. What were the key factors that constrained business power in this case?

It answers these research questions by deploying a qualitative methodology that is grounded in an in-depth analysis of a single case study. While no individual case study can be generalised, that is not my aim here. Rather, I use the case study to explore how the power of business can be constrained, in this case by interest group mobilisation and the role of the media. Much of my data from this analysis comes from documents and semi-structured interviews, with key actors on both 'sides' of the debate. I also use photo elicitation, to augment those interviews, allowing me to delve deeper into the motives, behaviours and perspectives of the participants. To examine the role of the media, I undertook a content analysis of the major Australian newspapers, assessing the 'bias' involved in their coverage of the CSG issue. Finally, I present quantitative data on AGL's share price and the gas price in order to examine AGL's contention that the main reason for their withdrawal from Gloucester was economic and owed nothing to the interest group mobilisation against them, or media coverage.

Overall, this research therefore makes both empirical and theoretical contributions. Firstly, it provides an in-depth analysis of the CSG debate in Australia, focusing specifically on the extent to which the Gloucester case illustrates important constraints on the power of business. Secondly, it makes theoretical contributions to the power of business literature, through its close critique of the work of Lindblom, Vogel and Culpepper.

1.4 The Thesis Structure

Chapter Two provides an outline of the literature on the power of business, focussing particularly on the work of Lindblom, a neopluralist, and key critics Vogel and Culpepper. This literature provides the framework and underpins the research questions addressed in this study. Following this, Chapters Three, Four and Five establish the context of the case study. Chapter Three discusses the introduction of CSG in the US and Australia, before examining the risks involved in techniques and other perceived hazards of CSG. The Chapter also discusses the legislation, regulation and policy in relation to CSG in NSW. Chapter Four examines the arguments employed by both sides of the CSG debate in Gloucester. The Chapter then outlines the role of the media and social media in the CSG debate, before providing a timeline and outline of the key CSG events in Australia, NSW and Gloucester. Chapter Five then provides context about Gloucester, including background information on the town, which is vital for understanding the themes in the participant responses within my case study research. A brief history of the GGP is provided, including a discussion of AGL's exit and change of business strategy, away from a focus on fossil fuels. An outline of the emergence of core interest groups both for and against the GGP is also presented, which is necessary background for Chapters Seven to Ten.

Chapter Six outlines the research methods utilised in the case study. It describes and explains the use of semi-structured interviews with residents from opposing sides of the issue, the use of photo elicitation, the newspaper content analysis and the financial data. The Chapter also highlights confidentiality and ethical considerations and concludes with an acknowledgment of the limitations of the research. This leads into three chapters that focus directly on the GGP. Chapter Seven analyses the process of interest group mobilisation with respect to the GGP. The Chapter focuses on the activities of interest groups, their connections and relationships,

and highlights the community division on the issue. Chapter Eight then focuses on the media's role in relation to the issue. It analyses a study of the coverage of the CSG issue in four major Australian newspapers, The *Sydney Morning Herald (SMH)*, the *Australian*, the *Canberra Times* and the *Australian Financial Review (AFR)*, focusing on the position which the newspapers took on the issue. Chapter Nine then focuses upon the three scandalous issues which were identified by the efforts of interest groups and reported in the media and assesses the extent to which this coverage delayed the GGP and damaged AGL's brand. In the final Chapter, the conclusion returns directly to address the research questions, before establishing the empirical and theoretical contributions made by this thesis. The limitations of the thesis are discussed, and future research directions are outlined.

CHAPTER 2

LITERATURE ON THE POWER OF BUSINESS: EXCHANGE RELATIONSHIPS, THE MANIPULATION OF VOLITONS AND NOISY POLITICS

2.1 Introduction

This Chapter outlines the theoretical literature underpinning my research questions. The dominant perspective on the power of business in the 1950s was pluralism, although this subsequently morphed into various different variants of neo-pluralism in the subsequent period. Much of the emphasis of this earlier literature was on the limits on business power. Whilst work on the power of business was somewhat limited over the course of the millennium, interest in it revived after the 2008 GFC, with the focus remaining largely on the limits of business power.

In the first section of this Chapter, I briefly outline the origins of pluralism as a theory of power and consider some of the elitist's criticisms of it. The pluralist response to these criticisms is usually described as neo-pluralism and, in the second section, I focus on the work of three authors who are particularly relevant to my concerns here: Charles Lindblom (Lindblom, 1977), David Vogel (Vogel, 2003) and Pepper Culpepper (Culpepper, 2010). Subsequently, in the third section, I consider the more recent literature which focuses on the role that structure, agency and ideas play in explaining business power, paying particular attention to the Australian Mining Tax, which is an Australian case that has attracted significant attention in the literature. In the fourth section, I briefly justify why my case study of CSG in Gloucester in NSW is a suitable one for assessing the power of business, before, finally, in the last substantive section, setting out the research questions, and their relationship to the theoretical literature on the power of business discussed in this Chapter.

2.2 The Origins and Development of Pluralism

Pluralism remains the dominant paradigm in Political Science in the US and much of the Western world (Hill, 2005, p. 28), but it has changed significantly over the course of time. Pluralism focuses upon the roles of competing pressure groups and institutions in society,

emphasising social and cultural diversity, but arguing that power is diffuse, not concentrated (Dryzek and Dunleavy, 2009, p. 35).

The origins of pluralism can be found in the work of James Madison and Alexis De Tocqueville (Madison et al., 1947, Madison, 1787, de Tocqueville et al., 1982). Madison thought that the interests of particular groups, expressed through factions, could threaten democracy. He advocated a pluralist society that derived its power from the people. In particular, he promoted the separation of powers as a check on the power of government and safeguard against tyranny. He also stressed the need for factions to be kept under control, because they damaged the common interests of society (Blokland, 2016, pp. 150-151). In contrast, De Tocqueville's emphasis was on representation. He argued that a diverse range of civil society organisations was a vital foundation of democracy in the US. He saw such groups as themselves acting as a check on the government and helping to prevent the alienation and atomization of individual citizens (Lijphart, 1975, p. 5). As such, De Tocqueville believed that voluntary associations were not factions, constraining democracy, but rather an important element of democracy.

In many ways, the father of modern pluralism was Arthur Bentley, particularly in his 1908 book *The Process of Government* (Bevir, 2012, p. 61). Bentley, drawing in part on De Tocqueville, saw interest groups as representing the views of society to the government, allowing the government to identify the most important interests and ideas within society. In his view, this was a key aspect of the way in which democracy worked in the US (Dierks, 2001, p. 23, Inazu, 2012, p. xxv). These arguments were developed after World War Two in the works of David Truman (1951) and Robert Dahl (1961) (Held, 2006, p. 160). For Truman, the members of interest groups shared values and beliefs and made "claims against other groups" (Truman, 1951, p. 33). This was a crucial feature of the idea of "competitive liberalism", which had become so engrained in US culture (Schlosberg, 1999, p. 82). Truman also highlighted the importance of interest group interaction and developed the idea of group theory which became a dominant perspective on business power from the 1950s onwards (Maisel and Berry, 2010, p. ii).

In the 1960s, Dahl, another of the key figures founding fathers of modern American pluralism, took issue with the Madisonian view of pluralism in the US (Smith, 2009, p. 20). As we saw, Madison opposed factions, seeing them as minority interests that undermined the interests of

the majority, as they infringed upon individual freedom, and were in opposition to community interests (Monsma, 2012, p. 5). In contrast, Dahl argued that Madison's view of pluralism overemphasised the problem of factions, as interest groups played an important role in acting as a check on the power of government. He emphasised that Madison was not clear about when interest groups, which Madison called factions, constrained the interests of the majority (Dahl, 1956, p. 5, Held, 2006, p. 159).

In his early work, Dahl saw power as diffuse (Haugaard, 2002, p. 5), divided among agents, which could be "individuals, groups, governments or nation states" (Dowding, 2011, p. 163). Dahl argued that "A (an interest group) had power over B (the Government) to the extent that he can get B to do something that B would not otherwise do" (Dahl, 1957, pp. 202-203). This led Dahl to focus on the various ways in which A can have power over B, constraining and altering the actions of B (Hayward, 2000, p. 15). However, the degree to which, and the way in which, A can affect the decisions of B depends on a number of factors, including the scope of power that A holds and the abilities and tactics used by A (Dowding, 2011, p. 163). Dahl's evaluation of power is particularly notable for highlighting the importance of access to resources in determining the power that A has over B.

Dahl's theory of power was subsequently criticised, particularly by elitists. Charles Wright Mills, a US sociologist, was especially critical of pluralism in *The Power Elite, 1956* (Mills and Wolfe, 2000). He focused upon an analysis of those who held power at a national level in the US, and concluded that it was four hundred members of the elite who made the most influential decisions in the nation (Haugaard, 2002, p. 5). Most of the empirical studies of power, both by pluralists and their critics, were however at the community level. For example, Floyd Hunter conducted a study of power in Atlanta, Georgia, in his 1953 work *Community Power Structure* (Hunter, 1953, Jones et al., 2014, p. 108). By asking people in prominent positions to rank their peers based on their reputation, Hunter concluded that there was a power elite that undermined workable democracy in the US (Jones et al., 2014, p. 108). He conducted a similar study in 1980 and again identified a power elite composed of "local corporations, banks and investment" (Caves, 2005, p. 90). His argument was, thus, very similar to that of C. Wright Mills (Haugaard, 1997, p. 11).

Unsurprisingly, Dahl took issue with Hunter's conclusions, arguing that his use of a reputational analysis left little room for the possibility that a power elite did not exist. Dahl also

stressed that power is mostly exercised through the use of resources, not through reputation, contending that Hunter was treating power as “a property that could be possessed” (Jones et al., 2014, p. 108). In this vein, Dahl, in *Who Governs?* (1961), concluded that particular groups, at both national and local level, held a significant level of power in the community. However, he emphasised that the decisions within the community were not dominated by big business (Davis and Go, 2009, p. 10). In his study, he examined three issue areas – the public sector; urban renewal; and political nominations – and concluded that no one group dominated all three policy areas. So, for Dahl, Hunter’s conclusion that there were elites within the community which controlled the most important decisions was highly questionable, given his view that resources are dispersed and no one person or group can hold power over a number of areas (Haugaard, 2002, p. 5). All this means, as Smith (1995, p. 214) argues, that the central questions when examining power in a society from a pluralist perspective are: “Who is involved in the decision making process?; and who was successful in getting their preferences accepted as decisions?”

2.3 From Classical Pluralism to Neo-Pluralism

During the course of over two decades of pluralist literature in the US, there was a shift in thinking among many pluralist academics and this was particularly evident in the writing of both Dahl and Charles Lindblom. In *Politics, Economics and Welfare*, which they co-authored, Dahl and Lindblom argued that the previous assumptions of pluralism had failed to recognise that competition among interest groups is largely unequal because of the privileged position of business and business power in politics (1976 p. xxxvi).

This intervention by Dahl and Lindblom represented the start of a discussion about neo-pluralism. Neo-pluralists do not endorse the original view of pluralism that power is widely dispersed, rather they usually contend that the government is not the mediator between interest groups, but, rather, an interest group itself. Furthermore, business is seen as particularly influential in the decision-making process (Baggott, 1995, p. 37, Savigny and Marsden, 2011, p. 139). Thus, neo-pluralism recognises that the relationship between the government and political groups has significantly changed. The government, through its position and resources, is able to influence the behaviours of groups which, in turn, can effect political decisions (Baggott, 1995, p. 38). Consequently, some groups can be excluded from the decision-making process (Smith, 2009, p. 17), while others can exercise considerable power.

As such, Dahl increasingly recognised the power of business in influencing political decision-making. Whilst continuing to emphasise that democracy is about the way power is exercised, rather than about potential power (Haugaard, 1997, p. 18), he nevertheless argued that corporate capitalism was responsible for producing “inequalities in social and economic resources so great as to bring about severe violations of political equality and hence of the democratic process” (Dahl, 1986, p. 60). Dahl advanced this argument in the *Dilemmas of Pluralist Democracy* where he argued that pluralist systems are very dangerous when they are left unchecked, because “organisational pluralism can allow for inequalities, distort public consciousness and eventually undermine democracy” (Wenman, 2013, p. 11). This is a point that was heavily emphasised by Charles Lindblom and I now turn next to his work and the responses of Vogel and Culpepper to it.

2.4 Charles Lindblom

Charles Lindblom was a highly influential neo-pluralist theorist whose work evolved in response to the extensive criticism of pluralist theory, particularly from elite theorists. Lindblom’s work is particularly noted for its recognition of the strength of the elitist argument that particular groups and experts are highly influential in policy-making and can, consequently, hold more power than the state (Janoski, 1998, p. 109). Lindblom’s most famous work, *Politics and Markets*, highlights this special relationship between business and government in society (Lindblom, 1977).

2.4.1 Democratic Politics as an Exchange Relationship

Lindblom’s argument is that business has a privileged position in society and that this is an important aspect of democratic society in the US. This is because business decisions about labour, employment, technology etc. affect economic growth and, consequently, the re-election chances of the government (Hayes, 2002, p. 58). Similarly, Lindblom argued that business is reliant on government to regulate in a way which allows it to prosper (Hall and Soskice, 2001, p. 256). This mutual dependence generates an exchange relationship between business and government, with government being able to negotiate away some of businesses structural power (Drutman, 2015, p. 3). In effect, this means that business is able to convince the government, using its resources, to satisfy their regulatory needs without having to place direct

pressure on them to do so. If government offers incentives to business, in the form of “subsidised services, grants, tax breaks or government controls” (Marsh and Lewis, 2014, p. 629), then businesses will be more likely to invest in the economy. In turn, this will stimulate economic growth, which will have a positive net effect on the government’s chances of electoral success (Shaanan, 2010, p. 29).

2.4.2 Structural Power and the Manipulation of Volitions

Lindblom also argued that business was able to hold a strategic advantage in policy making through the promotion of the interests of business as the interests of society (Marsh, 1983, p. 4). In elaborating on this point, Lindblom divided policy issues into two types: grand issues and secondary issues. Whilst grand issues are discussed between government and business, only secondary issues are discussed with the public. Crucially, for Lindblom, business tries to remove grand issues, including “income tax reform, regulation of unions, gun control, energy policy, defense budget, and abortion” (Lindblom, 1977, p. 142), from the political agenda by preventing a public discussion of them (Lindblom, 1977, pp. 204-205). Thus, business is not involved in areas of policy that do not directly impact it, such as social policy (Marsh (1983, p. 4). Lindblom also contends that secondary issues tend to be promoted by minorities and that these issues are mostly ignored by officials who are not interested in the public’s views on them (Lindblom, 1977, p. 233). This lack of participation and transparency does not allow for a competition of ideas, but, instead, for Lindblom, involves manipulation and control by business over the public realm (Marsh, 1983, p.37).

Certainly, Lindblom sees ideology as another aspect of business power; where the ideological hegemony of business is promoted and legitimised as being in the ‘common interest’ of society (Hodgson and Irving, 2007, p. 101). Lindblom (1977, p. 202) argues: “consider the possibility that businessmen achieve an indoctrination of citizens so that citizen’s volitions serve not their own interests but the interests of the businessmen” (Lindblom, 1977, p. 202). Lindblom, in a similar way to Marxist scholars, proposes that the state is able to justify its behaviour and practices through ideology, convincing the public that they are behaving in the interest of the population at large, rather than in their own interests and in the interests of business. These ideological values, which support the economic activity of business become accepted, and, thus, in the process, the actions of business are legitimised as serving the national interest (Marsh, 1983, p. 5).

Lindblom (1977, p. 202) sees this aspect of business power as involving the “manipulation of volitions”. Overall, business legitimises its control of decisions as being a part of polyarchal politics by associating “private enterprise with political democracy”, as “Nation, democracy, liberty and private property are all intertwined” (Lindblom, 1977, p. 203). Therefore, society won’t challenge the ideas that underpin the powerful position of business because they are viewed as being in the best interests of citizens generally. As such, Lindblom argues that business has a privileged position in society. Whilst this is a point that has been supported by many, it is also one that has come under heavy criticism by other scholars including Marxist scholars and elitists. However, most significantly, through the work of including David Vogel and Pepper Culpepper.

2.5 Lindblom’s Critics: Setting the Scene

Lindblom’s idea of the privileged position has been heavily criticised. This was particularly evidenced in the work of Marxists, like Manly, and the neo-pluralist critiques. John Manly provided a strong Marxist critique of both Lindblom and Dahl. In particular, he emphasised the power of business, resulted from its structural position within the economic capitalist system (Manly in De-Haven-Smith 1988, p. 62).

Among the many neo-pluralist critiques of Lindblom, David Vogel is most cited. Vogel disputes Lindblom’s argument that the government responds overwhelmingly to the interests of business. He argues that the government is not “vulnerable to any of the threats of particular businessmen” as they have the power to resist demands from business (Vogel 1987, p. 395). In addition, he contends that business is not united but rather consists of a variety of different interests that often disagree among themselves.

More recently, Culpepper and Reinke (2014, p. 430) address the strategic power of business by identifying two dimensions of business power and invoking the relationship between structure and agency. The first dimension focusses on the structural power of business which is held by firms, while the second dimension, instrumental power, focusses on resources that do not flow from economic activity. For them it is the second dimension that is most crucial and at the core of their critique of Lindblom. Culpepper and Reinke (2014, p. 131) explain that

the second dimension is “the way in which these resources are mobilised by business”, either automatically with no action required by business or strategically where action and choice is required (Culpepper and Reinke 2014, p 431). As such, the outcome is not necessarily determined purely through structural power of business, but also through the decisions and actions of business

More recently, and in the context of an Australian mining tax, Bell and Hindmoor (2013, p. 472-475) in discussing the mining tax, make a similar argument. They argue that business does not always hold a strategic advantage in policy making. Although Lindblom claims that business influences and shapes decisions made by the government, this was not the case in the creation of the mining tax, as the “mining industry did not set the policy agenda” (p. 472). Furthermore, they highlight that business power is constructed and contested (Bell and Hindmoor 2013, p. 471). They argue that Lindblom leaves little room to recognise the power of agency and ideas, rather than focussing on the structural power of business, they emphasise that the role of agency is important as it is the government officials who: “confront, interpret and react to business pressures and demands”, the structures do not influence outcomes automatically (Bell and Hindmoor 2013, p. 475).

More broadly, Bell emphasises the limitations of business power. In particular, he critiques Lindblom’s idea that it’s structural power means business is automatically advantaged. Instead focus is upon the role of ideas and agents (Bell, 2012, p. 663). Bell privileges the role of ideas, arguing that ideas of government and state leaders largely determine the structural power of business, a view which he contends is sufficiently acknowledged within business power literature (Bell, 2012, 661). Instead of seeing business’s structural power as shaping ideas, including policy ideas, which he asserts is commonly argued, he suggests that ideas shape power (Bell, 2012, p. 662), given it is “how agents (politicians) develop and use ideas” drive their decision making. In response, some scholars argue that Bell privileges agency and ideas, so that his work does not pay sufficient attention to the exchange relationship between and business. In this vein, Marsh and Lewis (2014, p. 629) argue that there are circumstances under which government is able to bargain away some structural power of business; a point to which Bell pays little attention to.

These are crucial debates, but they take us beyond the direct concerns of this thesis. The focus is upon the key debate within the broad pluralist position between Lindblom, Vogel and Culpepper.

As already emphasised, Charles Lindblom (1977) was the first scholar, together with Dahl (1986), from within the pluralist position to acknowledge that the power of business in America was extensive, emphasising that business had a crucial exchange relationship with government. His work *Politics and Markets* has since been referred to, while also critiqued since its publication date in 1977.

Vogel (2003) is perhaps the best known pluralist critic of Vogel and his work explores the boundaries that interest group power places upon business power. This is a topic that has become more prominent, as the limitations of business were increasingly explored. He emphasises the role of economic in determining the power of business; thus emphasising business's fluctuating fortunes, as he contended that business has more power when the economy is doing poorly (Vogel, 2003, pp 6-7, 20-24). His work particularly highlights the role that interest groups play in limiting the power of business; he sees them contributing to the nosiness of an issue; an issue which is explored in the case study in part in relation to CSR debate.

Pepper Culpepper is the leading contemporary researcher from within the neo-pluralist position broadly defined to explore the power of business since the global financial crisis of 2008. His work significantly largely critiques the work of Lindblom and contends that, whilst business does have a privileged position much of the time, this power is determined by several factors, in many ways similar to those identified by Vogel, including the nosiness of the issue, the role of the media and interest groups mobilisation (Culpepper, 2010, pp. 4-5, 185-187).

Next I turn to a more detailed consideration of the work of Vogel and Culpepper, before briefly considering some of the work on the power of business post GFC, especially that Culpepper and Reinke (2014) and then the work of the Australian Mining Tax.

2.6 David Vogel

In contrast to Lindblom, Vogel tracks the power of business in America over three decades and views it as unstable and varying, but nevertheless forming a “discernible pattern” (Vogel, 2003, p. 6). Vogel, although a pluralist himself, has argued that pluralists have failed to identify “the relationship between political developments and economic conditions”, and that business in America is most powerful when the American economy is most threatened (Vogel, 2003, p. 8).

2.6.1 *The Fluctuating Fortunes of Business*

In *Fluctuating Fortunes* (2003), Vogel provides an comprehensive overview of this pattern, in which he argues that the power of business was stable in the early-1960s, declined between the mid-1960s and the mid-1970s, prospered between the mid-1970s and the 1980s, before declining again in the following period (Vogel, 2003, pp. 6-7). These conclusions were supported in his earlier article, *The Power of Business in America* (1983), in which Vogel critiques the idea of the ‘privileged position’ of business. By arguing that corporate power and government did not maintain a “static and stable” relationship, as Lindblom suggest (1983, p. 20), Vogel instead focussed on the decline in corporate power during the 1960s and 1970s when the economy was performing well, with government economic planning constraining corporate power. As such, Vogel argues, business did not hold a privileged position. Vogel claimed that his analysis supported the idea that corporate power depends as much on the public’s perception of the economy as any other factor. As such, Vogel identified that during the time when the economy was performing well, there was “widespread public concern about the ability of the marketplace and thus corporate managers to make appropriate allocations of capital” (Vogel, 1983, p. 22). He argues that this led to more than twenty-five pieces of federal regulatory legislation in areas of consumer and environmental protection, occupational health and safety and personnel policy (Vogel, 1983, p. 24). He identifies this movement as beginning with the publication of Rachel Carson’s *Silent Spring*, alongside activist Ralph Nader’s public consumer and environmental interest group, which entered mass media and shaped public opinion in the US after which many reforms which were largely unfavourable to business were introduced.

This argument is similar to Culpepper’s (Culpepper, 2010) idea of noisy politics which will be discussed below. Both authors suggest that noisier issues, which are also publicised in the

media, are often taken-up by politicians as this increases their election chances, and, thus, the interests of the public can, and often do, override those of business. Vogel's work also takes issue with Lindblom's argument that only secondary issues, such as wages, are discussed in public. In contrast, Vogel argues that grand majority issues, such as energy policy, are not kept off the agenda, as Lindblom asserts. Thus, Vogel argues that it is at times when the economy is performing well that politicians ensure that consumer's needs are met and that business must cooperate to protect consumers and the environment. However, when the economy is not performing so well, politicians are sympathetic to business interests for the sake of the economy, and businesses "are relieved of the regulatory costs" (Maisel and Berry, 2010, p. vvi, Vogel, 1983, p. 8).

In Vogel's view, an example of the result of negative perceptions of the economy can be seen in the 1970s and during Richard Nixon's presidency. The public became sympathetic to the needs of business during the 'oil embargo', and corporate political action groups quickly formed in response. Business had learned and adopted many of the tactics used previously by the environmental and consumer social movements, such as forming influential interest groups to represent corporate interests, hiring lobbyist groups and funding right-wing research to shape public opinion on issues such as climate change. These groups engaged with the mass media in an effort to change public perceptions of the economy, in much the same way as environmental and consumer groups did during the 1960s and 1970s. Legislation that was created in the 1960s and 1970s was eroded to favour business interests, as the public had become sympathetic to business, and business power reemerged. It is interesting that such different agendas can be forwarded through interest group organisation and mobilisation, media publicity and the promotion of a particular narrative. Again, these ideas will be explored in Chapters 7-10.

2.6.2 The Role of Interest Groups

Vogel emphasised the importance of interest group politics in achieving policy changes, highlighting James Q Wilson's focus upon "the relationship between public-interest activists and regulatory agency personnel" as being particularly important (Vogel, 1983, p. 25, Wilson, 1980, p. 385). Here, Vogel quotes Jeffrey Berry's argument that it was public interest groups who helped change "the overall environment within which government officials formulate

public policy” due to “the opinion they arouse, the bad publicity they generate, the lawsuits they file...” (Vogel, 2003, p. 93-94, Berry, 1977, p. 289).

Vogel does, however, highlight that interest groups “do not form spontaneously: they require leadership and resources” (Vogel, 2003, p. 101). He focuses upon Ralph Nader, a lawyer who first came to public attention through his publication *Unsafe at Any Speed* (1965). Nader’s impact began with ‘The Center for Study of Responsive Law’ which involved numerous publications, many student volunteers, and later led to a series of other powerful organisations. For Vogel, these organisations were largely influential through the research they presented, the money they raised and the publicity they generated, contributing to numerous pieces of consumer and environmental legislation and changing public perceptions and opinion in relation to business and the political economy of the US (Vogel, 2003, p. 101-102).

It is particularly interesting that Vogel sees interest group mobilisation as a catalyst for shaping national incentives because it contrasts with Lindblom’s idea about the ‘manipulation of volitions’. Lindblom suggests that business and government, through their mutual relationship, convince the public that the interests of business affect the economy and, thus, by supporting business, you are supporting the interest of the nation at large. Vogel, on the other hand, argues that this is not always true. As we saw above, interest groups can promote consumer and environmental preferences, which can cause business interests to be sacrificed. However, this would, in turn, depend on the interest groups success in altering the public’s perception of the economy. These ideas will be further explored in Chapters 7-10.

2.6.3 The Role of Corporate Social Responsibility

More recently, Vogel’s work, *The Market for Virtue*, took the above ideas further by emphasising the role that Corporate Social Responsibility (CSR) plays in limiting business power. In Vogel’s own words, this reflected his interest in examining “the many reasons why some companies choose to behave more responsibly or virtuously in the absence of legal requirements” (Vogel, 2005a, p. 2). In his analysis, Vogel highlights the role played by activists that place pressure on corporations to be more responsible, the enormous media traction that this can gain and, thus, the damage that it can cause for a company’s brand and its sales (Vogel,

2005a, p. viii-xi). Vogel argues that this is why CSR is employed as it can provide companies with a competitive advantage, given it faces “fewer business risks than its less virtuous competitors” (such as consumer boycotts) (Vogel, 2005a, p. 16). However, Vogel also notes that “CSR is best understood as a niche rather than a generic strategy: it makes business sense for some firms in some areas under some circumstances” (Vogel, 2005a, pp. 2, 73). Nonetheless, he also points to numerous studies that have shown that socially responsible investment can pay-off as demonstrated through an increase in share prices in particular circumstances (Vogel, 2005a, p. xvi).

Vogel supported his argument with the example of British Petroleum’s (BP) decision to reduce its emissions of greenhouse gases by 10% and develop an “in house trading scheme” (Vogel, 2005a, pp. 123-124). As a result, BP further increased their investments in solar electric equipment manufacturing and “withdrew from a Washington lobbying group that was attempting to open up the Arctic National Wildlife refuge to oil drilling”, later changing their name to ‘Beyond Petroleum’ in an attempt to change the company’s image (Vogel, 2005a, p. 125). Despite enormous criticisms emphasising the irony that the company was still a heavy net contributor to climate change, Vogel argues that “it is (also) far from clear that BP’s substantial investment in alternative fuels has paid off” as their experience “clearly demonstrates that a serious company commitment to reduce emissions can uncover cost-effective, even profitable, means of doing so” (Vogel, 2005a, p. 127).

The idea that CSR can improve business performance and provide firms with a competitive advantage is also supported more broadly within the CSR literature. It is argued that by incorporating CSR into business practices in some way, firms can reduce their “cost and risk” , improve their reputation and build a competitive advantage, which creates a “win-win” situation. Carroll and Shabana (2010, p. 101) particularly suggest that firms can “lower the risk of opposition to stakeholders through CSR activities” which helps “a firm to strengthen its legitimacy”, demonstrating that it can meet stakeholders needs (Carroll and Shabana, 2010, p. 101).

It is worth a brief discussion about the evolution of CSR here, as it is crucial background to Vogel’s later work. It is possible to identify five evolutionary stages of the CSR . This began in the 1960s when academic and managerial literature held business socially responsible towards particular duties. Famously, Bowen highlighted that that policies and decisions made

by business must be in the best interest of society (Bowen, 1953, p. 6). Davis also saw that the “social responsibility of business was consistent with the extent of their social power”(Davis 1960 in Perrini et al., 2006, p. 58) However, it was also in the 1960s that the CSR paradigm was largely criticised, as businesses could not foresee the economic benefits of incorporating CSR into their business practices. As Friedman famously stated, “the business of business is business”(Friedman 1962 in Perrini et al., 2006, p. 58). Put simply, the only interest of business to make a profit. This aligns with the neoliberal paradigm, which I will later return to.

Despite some continued criticism of CSR, in the 1970s received significant attention, with particular emphasis upon themes of social legitimacy and expertise (Shah and Ramamoorthy, 2013, p. 160). Shah and Ramamoorthy (2003, p. 160) argued that social acceptance of business was seen as largely desirable, contributing to business success. Business was encouraged to pursue responsibility outside of the economic and legal norms and pursue societal expectations (Shah and Ramamoorthy, 2013, p. 160). Subsequently, the 1980s was marked by the fourth phase of CSR which included stakeholder management and corporate social performance (Perrini et al., 2006, p. 60). Stakeholder theory also emerged during this time (Bhaduri and Selarka, 2016, p.18); a theory beyond my concerns here, yet worth pursuing in future studies on the limitations of business power. ¹

Finally, in the 1990s studies on CSR began to focus largely upon on the relationship between stakeholders and business., Indeed, Roberts claimed that a social contract existed between business and stakeholders, so that business “must recognise the interest of stakeholders” as failing to do so will violate the hypernorms” (Roberts1992 in Perrini et al., 2006, p. 62). Hypernorms “provide rules for any social contracting” which demonstrate “impact agreements that are binding” (Perrini et al., 2006, p. 62). The 1990s also witnessed work on the concept of corporate citizenship and business citizenship which focussed on “the rights, responsibility and possible partnerships” of business in society. More recently, the discussion has been of global citizenship as the geographical boundaries have extended global firms and thus, the evolution of global business ethics (Perrini et al., 2006, p. 62). The triple bottom line (TBL) concept

¹ Stakeholder theory sees that business should perform beyond its traditional norms to include the interests of groups and individuals that are affected by the business. This impacts of the success of the business to achieve its objectives, as stakeholder can wither support or restrict business power (Bhaduri and Selarka, 2016, p. 18, Bonnafous-Boucher and Rendtorff, 2016, p. 26)

forms the basis of the contemporary CSR approach which “attempts to assess the social and environmental impacts of business, apart from the economic impact” (Banerjee, 2009, p. 85)

In empirical research, Haynes et al. (2013, p. 7) highlighted that the FTSE 100 companies all employed aspects of CSR into their business practices. The strength of these practices was evidenced during the 2008 financial crisis where firms with high social capital, which was measured by CSR, “has stock returns that were four to seven percentage points higher than firms with lower social capital” (Lins et al., 2017, p. 1785). The research also found that these firms experienced high “profitability, growth and sales per employee”. (Lins et al., 2017, p. 1785). It was argued that this was due to trust held between the firm, the stakeholder and investors who employed CSR practices (Carroll and Shabana, 2010, p. 101, Haynes et al., 2013, p. 7).

Overall, the idea that CSR can improve business image and provide cost effective and profitable alternatives is a particularly important idea and one I will return to when discussing the economic limitations of business power in Chapter 10. However, it must be recognised from the outset that there is a strong argument that CSR is more about than about genuine changes in business practices (for a very effective statement on this position see Fleming and Jones, 2013).

In conclusion, Vogel certainly provides an interesting analysis of the power of business. His arguments about the importance of interest group politics, the role of the media and public perceptions towards the economy and CSR remain important ideas that I will explore further in Chapters 7-10. In the section that follows, I discuss the work of Pepper Culpepper who shares similar views with both Lindblom and Vogel. Both Culpepper and Vogel agree that Lindblom does not address the fundamental question of why business does not always get its way. However, Culpepper nevertheless argues that business holds a privileged position most of the time and sees the relationship between business and government as being stronger than Vogel. I will elaborate on these points further below.

2.7 Pepper Culpepper

Pepper Culpepper is one of a number of new authors who have contributed to the critical literature on pluralism and the power of business since the GFC. Interestingly, Culpepper has

noted that the literature on business power today largely focusses on “the role of business in explaining national varieties of capitalism” (Culpepper, 2010, p. 185). He contends that too much work on the structural power of business has focused upon investigating why business does not get what it wants, rather than on the influence that business can have over policy issues. For him, research into the power of business has been “more neglected than it has been for the last half century” (Culpepper, 2010, p. 185). Culpepper concludes that Lindblom’s thesis about the power of business have not been proven to be correct over time, as a theory of business power must identify “why business loses as well as why business wins. Lindblom’s work does not” (Culpepper, 2010, p. 187). This critique was also advanced earlier by David Vogel who argued that business power was neither static nor stable.

2.7.1 Political Salience and Corporate Control

Culpepper, in his most influential text, *Quiet Politics and Business Power* (2010), explores the power of business in the US through an idea similar to ‘agenda setting’. He claims that big business holds considerable power over the policy process through its ability to remove issues of corporate legislation from the political agenda, so that they can be controlled by corporations, and, thus, satisfy their preferences. The ability of business to remove these issues from the political agenda, allows for a corporate takeover; these issues are simply too complex for the voter, or politicians, to understand. Therefore, company interests, which are not favoured by the average voter, or interfered with by politicians, continue to take priority over issues such as “wages, health care and pensions” (Culpepper, 2010 p, I).

In developing his analysis, Culpepper further explains his theory of corporate takeover in relation to issues of high and low salience. He defines political salience in terms of an issue’s “...importance to the average voter, relative to other political issues” (Culpepper, 2010, p. 4). Corporate issues are low salience issues, as they are kept off the political agenda largely due the power of lobbying and influence, and because legislators and reporters do not acquire corporate expertise. As he explains, “superior knowledge of the terrain and access to key decision makers” is what allows the politics of corporate issues to remain quiet (Culpepper, 2010, p. 5). As such, the general population will not vote against corporate political issues as they do not have a good understanding of these complex issues (Culpepper, 2010, p. 4). Instead, voting generally focuses upon high salience issues; issues which appear to directly affect the

general population, such as “jobs and protection of wages” (Culpepper, 2010, p. 5). These noisier, high salience, issues, are often reported in the media and are always at the fore during election campaigns. This idea is similar to that proposed by Lindblom, who sees secondary issues, such as social policy issues, as taking priority for the average voter. These issues are ‘noisier’ and are more regularly reported on in the media, as they do not affect business and, thus, are not issues the latter engages on.

However, Culpepper argues that it is not just the general population who are under the influence of corporate power and unable to understand the complexity of company policy and legislation. Managerial expertise and resources are the key to allowing low salience political issues to remain in that position, as policymakers lack the insight to “evaluate economic elite claims” (Fairfield, 2015, p. 49). Political parties also don’t play a major role in making decisions regarding corporate control because it is too costly, the rules of corporate control are not a high salience issue for the public (so, there is no political incentive to take them on-board) and politicians do not have the knowledge or expertise to make decisions on them. As Culpepper explains:

Company managers know more about the effect of legal changes on their companies than do politicians, and politicians know this. The high complexity of this field makes it difficult to challenge expertise of business leaders... (Culpepper, 2010, p. 9).

Given that managerial groups hold the necessary resources and expertise, politicians have little incentive to invest their own resources to master these issues; thus, business continues to maintain its influence over important managerial decisions (Culpepper, 2010, p. 177-178). Consequently, there is no major check on big business power. As politicians do not have the expertise, or the incentive to scrutinise decisions about corporate control, they are more likely to respond to the demands of business. Culpepper explains that politicians see this obedience as minimising the risk of destroying the economy:

A dominant political group seizes power through an election in which it wins the most votes; that group passes laws that secure and undermine institutions of corporate control; and these legal reforms destroy old institutions and replace them with new ones, born of legislative power” (Culpepper, 2010, p. 3).

Culpepper’s empirical work focused upon the political salience of issues in four countries: Germany, France, the Netherlands and Japan. He found that, even though managerial

preferences varied between each country, and there were different “socio political, cultural and economic contexts in which those businesses operate” (Culpepper, 2010, p. 4, Farrand, 2014, p. 13), power did not vary between managers in the different systems because each manager possessed the power that they needed to achieve their goals (Culpepper, 2010, p. 4).

Although issues of corporate power remain off the agenda for most of the time, Culpepper argues that issues of low salience can become issues of high political salience under two circumstances: if a political scandal is revealed, or as a result of the mobilisation efforts of political entrepreneurs (Culpepper, 2010, p. 6). As Culpepper explains:

Political entrepreneurs “mobilise public sentiment (by revealing a scandal or capitalising on the crisis), put the opponents of the plan public on the defensive (by accusing them of deforming babies and motorists), and associate the legislations with widely shared values (clean air, pure water, health and safety)” (Culpepper, 2010, p. 6).

For Culpepper, the media plays a central role in this process and in determining the political salience of an issue. He argues that: “When governing parties and their opponents know that political issues are debated in the media – and that the people are watching – they have powerful electoral incentives to respond to the dictates of public opinion” (Culpepper, 2010, p. xv). He contends that political scandals are more effective at raising the political salience of an issue because they are less complex to understand than corporate governance issues, which are “boring and technical” (Culpepper, 2010, p. 147). As such, “it is much easier to grasp a \$165 million individual annual compensation package than it is to understand the implications of hostile takeover rules...” (Culpepper, 2010, p. 147).

Culpepper, like Vogel, does share the idea that the media plays a fundamental role in influencing public’s perceptions of the economy. For Culpepper, this, at times, allows low salience issues to become high salience issues, as detailed above. Vogel takes this idea further as for him interest group mobilisation, alongside media influence, forms a fundamental basis for social movements, which directly influences business power as in the example of Ralph Nader discussed above. In discussing high political salience issues through interest group mobilisation, Culpepper also refers to the mobilisation efforts of Ralph Nader. What is distinct about Culpepper’s argument, however, is that issues of low political salience can undergo a transition and become an issue of high political salience.

To summarise where we have got up to so far, Lindblom, Culpepper and Vogel all identify limitations to business power, with Culpepper and Vogel providing valuable critiques and revisions to Lindblom's earlier work. Many questions have emerged from these critiques of Lindblom, including: the circumstances which affect whether an issue is kept off, or placed at the forefront of, the political agenda; the role that interest group mobilisation plays in determining policy outcomes; the role that the media plays in shaping political opinion; and whether business and government have an 'exchange relationship' that is either stable and ongoing, as Lindblom suggests, or varying and dependant on factors other than corporate power, as Vogel contends.

As we have also seen, one of the key ideas presented by Culpepper and Vogel involves the mobilisation of interest groups and the role of the media in determining how, and when, business 'gets what it wants'. These were not ideas that Lindblom emphasised, but they will be explored in my case study. More recently, the literature on the general power of business has also been stimulated by Culpepper's book, *Quiet Politics and Business Power*. Culpepper argued in this book that Lindblom's ideas on the structural power of business were inconsistent and proposed that business power and its limitations should be viewed in terms of the "complex interaction of political parties, interest groups and voters" (Culpepper, 2010, p. 198). Like Lindblom, Culpepper argued that low salience issues are kept off the political agenda because they are particularly important to business and too complex for the average voter, and often politicians, to understand. Thus, Culpepper's argument is founded on the idea that political salience is dependent upon the ability of politicians and the public to understand complex business issues. As politicians do not have an incentive to spend the time to understand or engage with these issues, they often leave them in the hands of business. Similarly, because the public either do not understand these issues or are not willing to invest the time to understand them, business is able to keep issues off the political agenda and 'hidden' in the domain of quiet politics (Culpepper, 2010, pp.1,9). However, unlike Lindblom, Culpepper's analysis also had a more dynamic understanding of political saliency and raised valuable points with regard to the role of the media and political scandals in transforming low salience issues into high salience ones. This is important because Culpepper argued that politicians have no choice but to address high-salience issues even if business interests are involved. The role that interest

groups play in turning low salience issues into high salience ones is therefore an important one for both Culpepper's argument and this thesis. These are all crucial points that I will now reflect on in light of the more recent literature on business power post-GFC.

2.8 The Power of Business After the Global Financial Crisis

Lindblom's *Politics and Markets* certainly revived interest in the power of business. However, this was only short-lived, as in the 1980s and 1990s, the structural power debate was phased out "of the less fashionable circles of contemporary political science" (Culpepper, 2015, p. 392) following the end of Keynesianism and the rise of neoliberalism (MacKinnon and Cumbers, 2014, p. 106, Phillips, 2014, p. 571). Neoliberalism argues that the deregulation of markets and free movement of goods and services is more economically efficient, dramatically increasing mass consumption throughout the Western world (MacKinnon and Cumbers, 2014, p. 106). This view was reflected in neoliberal policy packages introduced by the Thatcher Administration in the United Kingdom and the Reagan Administration in the US, as both governments cut taxes for business, limited government intervention and loosened legislation on environmental, safety and labour regulations (Phillips, 2014, p. 571, Fitzpatrick, 2016, p. 59). Nonetheless, while many saw neoliberal policies as bringing about global economic prosperity, critics argued that neoliberalism would lead to financial crisis and significant social inequality (Phillips, 2014, p. 571).

Overall, Culpepper and Reinke (2014, p. 429) explain that this period, immediately prior to the GFC, was one in which "analytical attention to the ways in which business exercises influence on the state waned", as politicians were adopting policies that allowed business to prosper. Whilst this is somewhat accurate, not all scholars agree that studies of the power of business were neglected entirely during this period, with some pointing to how the focus had shifted to a discussion of globalisation and the power of global capital. From this perspective, globalisation had significantly reduced government's political discretion, as governments had no choice but to cater for business interests (Ohmae, 1995 & Strange, 1996 cited in Bell, 2012, p. 661). Nonetheless, even if there had been a shift in focus, substantive discussion and analysis on the *limitations* of the power of business had certainly waned only to be revived following the interest generated in the aftermath of the GFC in 2008.

The 2008 GFC, which began in the US and the UK, led many scholars to question interpretations of the role of business, with particular attention paid to the argument about that there were banks that were “too big to fail” (Green, 2012, p. 356, Wetherly and Otter, 2014, p. 57). Put simply, the 2008 GFC occurred, in large part, due to big banks making risky financial decisions, which led to large amounts of accumulated debt (Green, 2012, p. 356). Governments subsequently bailed out many large banks and institutions, including Bear Sterns, Freddie Mac, Fannie Mae, AIG, IndyMac, bank of America, Chrysler and General Motors (Center, 2009, p. 22). These bailouts were necessary according to most observers because these banks were simply ‘too big to fail’, with government relying on them for their survival and the stability of the economy. The United Nations has since claimed that developed countries spent up to 49% of their Gross Domestic Product (GDP) supporting these banks and institutions (Green, 2012). In response, the Organisation for Economic Cooperation and Development (OECD) (OECD 2008, p. 96) advised that these banks and financial institutions should be tightly regulated; even brought together “under the umbrella of a single regulator”. They also advised that legislation should to restrict and supervise these banks and institutions (OECD, 2008, p. 96). Nonetheless, many governments struggled to repair the damage caused by these financial decisions, as was clear by the pain and impact caused by the austerity reforms that were subsequently introduced in the US and throughout the Western world (Wetherly and Otter, 2014, p. 57).

The global financial crisis prompted many scholars to question the inevitability of neo-liberal policies and free market principles (Komlos, 2016, p. v). Many scholars saw the crisis as marking the end of neo-liberalism, with Joseph Stiglitz declaring, perhaps too early, that “neoliberalism as a doctrine; market fundamentalism is dead” (Stiglitz, 2010 cited in Komlos, 2016, p.v). Others argued that the decision to bailout the banks meant that they would continue to “pursue high risk ‘casino capitalism’ because they know that governments... will bail them out..” (Center, 2009, p. 22). In this vein, David Beetham, argued that the bailing out of the banks using public money was inexcusable due to the lack of penalty imposed on them (Beetham, 2013, p. 290).

However, the GFC also led to a revival of the power of business literature as scholars began discussing again the structural power of business in the context of the events that has taken place (Suárez and Kolodny, 2011, p. 74). Culpepper’s book, *Quiet Politics and Business Power*, was published just prior to the GFC. In the last section of the book, Culpepper expressed his concern about the poor management of the crisis, which he saw as needing a “new

regulatory framework” (Culpepper, 2010, p. 197). In discussing the crisis and its effects, he argued that: “Many indicators suggest that we are living through a period of radical renegotiation of the political status quo, and that organised business sits in a weakened bargaining position” (Culpepper, 2010, p. 198). However, Culpepper’s work, now interpreted through the context provided by the GFC, also sparked a renewed interest in the power of business, and the financial sector in particular. Some of this renewed interest has drawn on the structure/agency literature, which there is not the space to discuss at length here (but see Marsh 2017 for a summary). However, the important point is that, while the emphasis in the business power literature used to be on either the role of structure, which was emphasised in the Marxist literature, and indeed to a significant extent in the work of Lindblom, or the role of agency, which the pluralist emphasised, the focus now is upon how the roles of structure and agency interact. More relevant to my concerns in this thesis is the work by Stephen Bell, which has engaged with Culpepper’s argument and the literature on the power of business more broadly. It is to his contribution that I now turn.

2.9 The Australian Mining Tax

Stephen Bell is one of the key authors in the recent resurgence of interest in the power of business. Bell critiqued Lindblom’s work and recognised the limitations of business power, but he also takes issue with Lindblom’s and Culpepper’s idea that the structural power of business means that it is automatically advantaged. Instead, Bell focused upon the ideas and perspectives of leaders/agents, which are formed within the broader political and economic context in which they operate, and which then shape the decisions that agents make (Bell, 2012, p. 663). Contrary to the above scholars, Bell privileges the role of ideas arguing that it is the ideas of government and state leaders that largely determine the structural power of business (a factor that he argues has not been widely acknowledged within the business power literature) (Bell, 2012, p. 661). Instead of seeing power as shaping ideas, including policy ideas, which he asserts is commonly argued, he suggests that ideas shape power (Bell, 2012, p. 662), given it is “how agents (politicians) develop and use ideas” that drives their decision making. Bell pursued these arguments through a case study on the Australian Mining Tax.

In discussing the limitations of business power in Australia, the Australian Mining Tax case is a particularly interesting one, which has received some attention. In May 2010, former Prime

Minister Kevin Rudd proposed a 40 percent super profits tax on the mining industry, named the RSPT. The proposed tax saw a major backlash from the Mining Council of Australia (MCA), formed by the three biggest mining companies, BHP Billiton, Rio Tinto and Xstrata. The mining industry's campaign against the tax was described as "the most ferocious lobbying campaign ever seen in Australia" (Mitchell, 2012, p.39); and, although former Prime Minister Kevin Rudd believed he could "face opposition of the mining industry" and win the challenge, many observers believe he was mistaken (Boulus and Dowding, 2014, p. 969).

The Mining Tax led to political instability within the Labor Party and has been seen as part of the reason for the loss Kevin Rudd's Prime Ministership as he refused to renegotiate the terms of the tax with the mining companies and big business. Once Julia Gillard became Prime Minister she named the new 'watered down' tax the Minerals Resources Rent Tax (MRRT) (Bell and Hindmoor, 2014, p. 483). The new tax aimed to raise \$200 million, instead of the \$3 billion that the Labor Party had been originally planned (McKnight and Hobbs, 2013, p. 308). Rudd blamed corporate lobbying and the advertising campaign, seeing it as 'A Cancer on Democracy'. Wayne Swan, Rudd's Treasurer, also expressed his deep concerns arguing that: "A handful of vested interests (that) have pocketed disproportionate share of the nation's economic success now feel they have a right to shape Australia's future to satisfy their own self-interest" (Swan 2012 cited in Bell and Hindmoor, 2014, p. 474). The case certainly raised fundamental questions about the limitations of business power and the role that large corporations, lobbying and the media play in Australia's democracy.

There is an extensive literature on the Mining Tax with many seeing media bias and powerful lobbying as the main catalysts for swaying public opinion, forcing the Labor Party to back down and renegotiate the tax (Bell and Hindmoor, 2014, p. 470). Bell and Hindmoor analyse the case through the lens of the structure and agency debate, identifying the limitations on business power and critiquing previous major works within the power of business literature. They argue that the power of the mining industry is not determined by "whether business investment is essential for growth or whether business will disinvest if a new tax is imposed, but whether actors believe this to be the case" (Bell and Hindmoor, 2014, p. 470).

It is commonly suggested that power often shapes ideas (Culpepper, 2015, Culpepper and Reinke, 2014, p. 427), but Bell and Hindmoor used this case to make the argument that ideas shape power (Bell and Hindmoor, 2014, p. 470, Bell, 2012, p. 662). Put simply, they contend

that the Labor Party made their decision to replace former Prime Minister Kevin Rudd and renegotiate the tax based on their perception that the mining industry would disinvest. They also argue that the public had been heavily swayed by the mining industries campaign and the media. As such, it was mainly the agent's (the politicians) ideas that shaped their preferences and led to their decision making, not the structural power of business (via the mining industry lobbying and the media).

Thus, Bell and Hindmoor suggest that Lindblom's work fails to recognise the importance of individual agency, as individuals make decisions based on their own perception in relation to the political, social and economic context with which they are faced. They contend that business power does not evolve automatically, in the way in which they claim Lindblom's work suggests, but, rather, is much more complex process as the structural power of business can only be understood within the "the broader economic, political, institutional and ideological context" within which it operates (Bell and Hindmoor, 2014, p. 481). In the Australian Mining Tax case, Bell and Hindmoor point to the particular importance of: the global recession; Labor's weak electoral position; and Labor's leadership election rules. Business power was not automatic, rather lobbyists and political executives entered the public arena in an effort to persuade the population, the media and politicians that they would disinvest if the tax was to go ahead. This structural power of business meant that the government felt that they had no choice, but to cater to the wishes of the voters. In their own words: "The mining industry was not able to exercise veto over policy development" but instead the structural power of business was determined by the agents decisions to "choose whether, when and where to invest" (Bell and Hindmoor, 2014, p. 483).

Furthermore, Bell and Hindmoor critique Culpepper's idea about political salience, because they argue that noisy politics did not lead to the government having to choose between business and voter preferences. In this case, business and voter interests aligned, so they see this as an inconsistency in Culpepper's work. However, despite Bell and Hindmoor's critique, this raises the question: in cases where business interests and interests of the public do not initially align, can business successfully persuade the public that its interests actually are the interests of the voters and the nation? This idea has obvious resonance with Lindblom's idea of the ideological hegemony of business, together with the manipulation of volitions, and this is an issue I will return to in Chapters 5 and 7-10.

In partly addressing this question, and critiquing Bell and Hindmoor's work, Marsh et al. (2014) argue that the manipulation of volitions played a fundamental role in influencing the preferences of voters, a point that Bell and Hindmoor fail to acknowledge. However, Marsh et al. (2014) also highlight that, despite the significant impact that the preference-shaping played in influencing outcomes, the manipulation of volitions does not necessarily always determine policy outcomes. Marsh et al., in critiquing Bell and Hindmoor, suggest that not enough attention is paid to the resources that government have, and, secondly, how those resources are, and can be, most effectively used (Marsh et al., 2014, p. 711). This includes the government's ability to negotiate with business and influence public opinion (Marsh et al., 2014, p. 711). In this case, the government failed to use their resources effectively "to institute an effective mining tax" (Marsh et al., 2014, p. 724).

Whilst a key argument of Bell and Hindmoor is that the Australian public opposed the mining tax (Bell and Hindmoor, 2014, p. 481), Marsh et al emphasise that the ABC Vote Compass Survey only rated the mining tax as "the 16th most important issue to voters in an election campaign" (ABC 2013 cited in Marsh et al., 2014, p. 719). As we saw, Culpepper suggests that, if issues are of concern to the public, politicians have no choice but to respond. However, in this case, Marsh et al. argue that the Mining Tax was clearly not a large issue for the public, although the mining industry responded strongly. Culpepper also sees the influence of business as greatest in areas of 'quiet politics'. However, in this case, the miners went well beyond quiet politics and, indeed, were particularly noisy. Although miners and businesses were united on the issue, this did not lead to effective opposition to the tax as Culpepper suggests.

Despite the common belief that mining industry profits trickle down to the average Australian, Marsh et al. question this by quoting Richardson and Dennis's contention that "the structural position of miners was and remains – significant, but the benefits have not percolated down to most Australians" (Richardson & Dennis cited in Marsh et al., 2014, p. 717). Despite the polls suggesting that the public were evenly split, and not particularly interested in the tax, the miners' campaign was a success and led to the questioning of Rudd's position. Perhaps this also highlights the success of the mining campaign in convincing the public that the interests of the mining industry are the same as the interests of the average Australian, so their volitions were manipulated to some degree, as Marsh et al. suggest. However, if this was not the major factor shaping policy outcomes, what was?

In evaluating government agency, Marsh et al (2014, p. 721) contend that Labor was largely distracted during the period of the Mining Tax, due to issues such as the carbon pollution scheme and the asylum seeker debate. Secondly, the Mining Tax may have been too complicated for the average voter to understand, causing citizens to quickly lose focus (Marsh et al 2014, p. 721). This argument links to Culpepper's point that business holds a privileged position on some policy issues, such as economic business policy, because they are too complicated for both politicians and voters to understand. Therefore, economic issues are left in the hands of big business. Finally, Marsh et al. argue that the Government did not utilise its resources effectively. For example, they focus upon the poor PR campaign led by the Labor Party and the spread of misinformation by the Government (Marsh et al., 2014, p. 721). Similarly, McKnight and Hobbs (2013) discuss the advertising campaign run by the mining industry and the Labor Government on the Australian Mining Tax Case. Their analysis found that the mining industries powerful campaign, particularly that executed by the Australian Coal Association, was perhaps the "sick cancer within our system....a cancer on democracy" that Kevin Rudd had described (The 7:30 Report seen in McKnight and Hobbs, 2013, p. 310). Led by large multinational corporations, the campaign against the tax continually aimed to convince the public that the mining industry had saved the nation for the GFC. Further, BHP Billiton argued that the tax would "threaten Australia's competitiveness and jeopardise future investments" (ABC 2010 cited in McKnight and Hobbs, 2013, p. 312). As the campaign intensified, according to Bell and Hindmoor, mining companies threatened to withdraw investment from Australia (Bell and Hindmoor, 2014, pp. 472 – 473). By convincing the public that the Prime Minister was not representing the best interest of the voters and the nation, McKnight and Hobbs (2013) argue that Labor's polls dropped significantly, leading Kevin Rudd to be replaced with Julia Gillard. As McKnight and Hobbs (2013) conclude: "the mining industry's advocacy campaign became something of a model for other, mainly corporate, campaigns against government policy" as "Australia has a particularly laissez-faire regulatory approach to political ads" (orr 2007 cited in McKnight and Hobbs, 2013, p. 316). This argument questions the influence of the media in Australia's democracy and the role that the media plays in either facilitating, or limiting, business power.

In response to the Government's perceived defeat, Bell and Hindmoor argue that the pressure from the campaign, including threats from the industry to withdraw investment, reflected the importance of agency in what led to the decision to introduce a 'watered down Mining Tax'.

The outcomes, here the defeat of the Labor Government and the loss of a Prime Minister, were dependent upon the agent's perception of what the mining industry and the public would do (Bell and Hindmoor, 2014, pp. 471, 483). In contrast, Marsh et. al. argue that volitions were manipulated and that the mistake lay with the Labor Party and its inability to effectively use the resources that it had (Marsh et al., 2014, pp, 717-718, 721).

In conclusion, a consideration of this case suggests that it is important to identify the economic, political and social structures that affect the role of business (Hay, 2002). In addition, it is important to identify the agents involved, both collective and individual, and consider the ideas that they hold (Marsh et al., 2015, p. 577). Marsh et al. (2014) credit Bell and Hindmoor for identifying the economic, political and institutional context faced by the agents, which Lindblom fails to do. However, they also question what they see as Bell and Hindmoor's overemphasis on the role ideas play in limiting the structural power of business, arguing that structure, agency and ideas all need to be considered when analysing business power. So far, this Chapter has discussed the literature on power and its various interpretations from the evolution of pluralism until the resurrection of the literature on the power of business post-2008. The next section will connect this discussion to my case study and the GGP, including the research questions derived from the theoretical literature discussed above.

2.10 Interest Group Power

Before moving on to introduce the case study of Gloucester, it is worth brief consideration of how the focus on business relates to the broader literature on interest groups, given that the case study relate to many of the issues raised in that literature.

Section 2.2 emphasised that the pluralist literature has always focused upon the role of interest groups and their place in a democratic society. More recently, there has been a large growth in literature on political participation, much of which focusses upon the role of interest groups, but also of protesters whose activity is more fluid and not necessarily linked to interest groups; Vromen (2016, pp. 2-3) termed them unconventional methods of participation such as advocacy, the internet and the media.

In this context, he work of Andrew Chadwick argued that political parties and interests groups now "blend together their own existing campaign styles" (Chadwick, 2017, p. 22). As

such, he focusses upon “how political and media actors shape and are shaped by older and newer media logics” as well as “the extent to which they mobilise, traverse and integrate those logics (Chadwick, 2017, p. 22). For Chadwick, hybridity² offers a powerful way of thinking about politics and transition, extending beyond media technologies and platforms. In this context, he discussed typical hybrid organisations such as “MoveOn, the American political movement” claiming that they have reshaped governance and democracy in the Western World, including the delivery of public services and organisations (Chadwick, 2017, p. 18). This raises questions about the influence of interest groups and the media which is explored in Chadwick’s work through his examination of media trends in the US and the United Kingdom (UK) (Chadwick. 2017, p. 18).

In a similar vein, in Australia, Ariadne Vromen studied the political lobby group GetUp. She argues that today, people engaged politically through “most(ly) individualised, ad hoc ways, rather than (as) committed members of formal groups”; this engagement can take form of petitioning, donations, volunteering ones times and boycotting consumer items (Vromen, 2016, pp. 2-3). However, Vromen argued that interest groups remain more important than ever, as political engagement has changed, involving local communities, environmental and human rights organisations and online social movements. It is this change in behaviour that has led to a move away from traditional forms of political participation (Vromen, 2016, p. 2).

Today, interest groups are also found to be “provid(ing) the link between the governed and those doing the governing” acting as “agents of democracy”(Halpin, 2009, p. 261). Halpin argues that a democratic deficit has been caused by “declining voter turnout” and a lack of trust toward politicians. Instead, groups are creating a strong between the people and the state (Halpin, 2009, p. 261).

This literature suggests that interest groups and individual political actors play an important role in acting as a check on the relationship between business and government. However, it is also important to note that despite this emerging literature on interest group mobilisation and changes in the form of political participation, the structural power of business remains important (Vogel, 2003 and Culpepper, 2010). There has been a rise of digitally enabled interest groups that have changed overtime (Chadwick, 2017, Vromen, 2016 and Halpin, 2009). Although this is important to recognise this is not a focus for this thesis, which focuses

² Chadwick sees that the most appropriate way of identifying a hybridity is through the definition of a hybrid. This is best described as “a diluted version of their achievements characteristics as always in the process of being selectively recombined in new ways” (Chadwick, 2017, p.18).

on the power of business and interest groups associated with the limitations of business power.

2.11 Business Power and the Gloucester Gas Project

Mining has always been a controversial topic in Australia as it often involves relationship conflict between business and government, who focus on economic growth, interest groups, local communities, and environmentalists (Wearing et al., 2014, Sherval and Hardiman, 2014, Turton, 2017, Watts, 2018). In Australia, the topic of CSG has been dividing communities across Australia with those who support it focusing on putative economic prosperity and jobs, while opposing groups have expressed deep concern for the environment, property prices, health and so on. It is also an issue which led to the formation of a variety of interest groups and which has featured in the media.

Gloucester is a community where the issue of CSG came to the fore when AGL began their Waukivory Pilot Project (WPP). Gloucester is a small town in the mid-North coast of the state of NSW. Traditionally a conservative community, the region has more recently experienced an influx of incomers moving into the community, particularly retirees who hold environmentalist values. Once AGL announced its intention to begin exploring for CSG in the region, interest groups opposing the project quickly formed, and mobilised both within the community and in the surrounding region. This created significant tensions between these interest groups and some long-term residents, who saw CSG as likely to bring economic prosperity. As such, there was significant interest group mobilisation, on both ‘sides’, and extensive use of the media to influence the outcome. Ultimately, AGL announced its decision to withdraw from the project in February 2016. Consequently, the case study, among other things, allows us to examine the role of a number of the factors which the literature has suggested as being important when thinking about the power of business and its limitations, and this is my overarching research question: What were the key factors that constrained business power in this case?

More specifically, my case study concentrates upon a number of the major themes in the literature discussed above, including: the exchange relationship between business and government; the noisiness of the issue; the role of interest group mobilisation in limiting business power; and the role of the media in generating concern amongst the public. These

themes inform my four specific research questions. The remainder of this section of the Chapter briefly outlines these questions and their relevance to the literature.

1) How noisy was the debate?

According to Lindblom and Culpepper, the power of business depends on the ability of government and business to shield issues from public debate. However, as Culpepper and Vogel importantly note, interest group mobilisation, such as scandalous news stories, can generate publicity, and prevent these issues from being kept off the agenda. According to Culpepper, this can force the government to address an issue, even if it is not in the direct interest of business and government, given the electoral risks that exist if they were to do nothing.

The issue of CSG in Gloucester was particularly noisy, and this is something that this thesis will examine in Chapters 7-9. As Culpepper notes, low salience issues can become high salience issue under circumstances, as the issue of CSG did in Gloucester. The topic of CSG in Gloucester gained enormous media traction, which created great concern amongst the public, including calls on government to take a stand and act on the issue.

2) How influential was interest group mobilisation?

This case study is particularly significant for studying the role of interest group mobilisation. Groups opposing CSG in Gloucester were particularly influential within the CSG debate, using their resources, such as their: time; skills; networks; expertise; and leadership capacities to successfully drive their campaign. According to Vogel, and partially Culpepper, effective interest group mobilisation can change the public's perception on an issue and place pressure on the government to cater for the interests of the public.

Interest groups who opposed CSG in Gloucester were attempting to damage AGL's brand, whilst also encouraging people to change energy providers, in an effort to force AGL to leave Gloucester, whilst promoting renewable energy alternatives. These ideas will be examined in Chapter 7–9 to identify whether interest group activity pressured AGL to change its business strategy. If so, this would be in contradiction of the current literature which claims that it is the

government, rather than interest groups that force changes in business strategy following public pressure.

3) *What was the role of the media in relation to the manipulation of volitions?*

Culpepper and Vogel both emphasise the role that the media can play in turning the public's attention to an issue, which, in turn, can force the government to respond to that issue. The media played a prominent role in influencing the CSG debate, as outlined in Chapters 7 and 8. Key news sources were said to be biased in opposition to CSG, which helped them to support their fight against the CSG industry and acted as a constraint on AGL. This was assisted by well-networked residents in Gloucester who formed strong relationships with key journalists in the media. Further, social media enabled opposing groups to network between groups and broadcast their ideas on a regular basis.

Lindblom claims that, by keeping ideas that concern business and government away from the public realm, there will be no competition of ideas. The actions of business and government are said to be always kept off the agenda as they are justified as being good for business and government, good for the economy, and, thus, good for citizens (Lindblom 1977, pp. 202-203, 223). This is key to the idea of a manipulation of volitions. However, contrary to this argument, volitions are not manipulated in this case study, thus, challenging this key idea in the literature.

4) *How important are contextual and economic factors in determining the power that business holds?*

As noted above, according to Vogel and Culpepper, scandalous events can be highlighted by interest groups in the media in their attempt to challenge the power of business. In Gloucester, various scandalous events were used by interest groups to reveal the strong relationship between business and government, the lack of transparency surrounding the project and the government's willingness to bend the rules to respond to the needs of AGL. These scandalous events and their implications are outlined in Chapter 8.

Further, Vogel claims that the power of business depends on the public's perception of the economy at the time. AGL claimed that their decision to withdraw from the project in February 2016 was a purely economic decision, influenced by a lack of gas in the area, low international commodity prices for gas and long development lead times. What makes this case study interesting is that AGL's exchange relationship with the government was apparent throughout AGL's 8 years in Gloucester; however, AGL's final decision to exit the GGP did not fit with the government's continued support for fossil fuels. As a company, AGL ultimately took a different path, promoting the reduction of climate change and renewable energy alternatives.

2.12 Conclusion

This Chapter has examined key works within the power of business literature to date, providing a basis for analysing the empirical case study in this thesis. I began with a brief consideration of the role of pluralism in the 1950s and the literature on neo-pluralism focusing particularly on the core ideas of Lindblom, Vogel and Culpepper. I subsequently looked at the more recent literature post-GFC but with a particular focus on the Australian Mining tax, one of the few case studies of business power in Australia. I then considered why the case study of CSG in Gloucester is relevant for identifying the limitations of business power, particularly drawing upon key ideas from the work by Lindblom, Vogel and Culpepper. The next Chapter will outline the CSG debate in Australia and the US. It will draw upon the key themes briefly discussed above, including those which make this case study area particularly relevant for studying the limitations of business power. It will also identify some of the key themes in the debate concerning the GGP.

CHAPTER 3

COAL SEAM GAS – AN OVERVIEW OF THE KEY ISSUES

3.1 Introduction

This Chapter will outline the issues and controversies surrounding CSG exploration and production generally, but with a particular focus on NSW, which is the State within which my case study is located. With the recognition that coal is a major contributor to greenhouse gas emissions, many countries have turned to unconventional gas, particularly CSG, as an alternative fossil fuel. Unconventional gas extraction has taken off globally, with major developments in Russia, Canada, South Africa and the US (Gray and McCoy, 2016, p. 162). This growth reflects rapid innovation in hydraulic fracturing technology which has facilitated extraction in some of the deepest coal seams, allowing access to gas reserves that were previously deemed inaccessible. This expansion has also been driven by the belief that CSG is a much cheaper, and cleaner, energy source than coal (De Rijke, 2013a, p. 2). As such, CSG has also been viewed by some as a solution to the problem of climate change (De Rijke, 2013a, p. 2). It has also been widely perceived by many governments as a solution to the world's impending energy crisis and as a means for them to secure independent access to their own energy supplies (De Rijke, 2013a, p. 2).

In the meantime, concerns about the advantages and disadvantages of CSG have also divided communities across the world, with experts such as “scientists, health professionals, lawyers, regulators” producing research either supporting or opposing CSG (Gray and McCoy, 2016, p. 162). As such, CSG has been described as “a global issue where development and economic interests sometimes very legitimate, conflict with sustainability and the interests of the global environment and future generations” (Esmaeili and Grigg, 2016, p. 114). There is also “a growing concern that the current capitalist system does not address long-term environmental or social issues”, as the industry has been viewed by some as only catering for short-term economic growth (Lloyd et al., 2013, p. 145). These concerns are particularly important in Australia, which is one of the largest mining countries in the world and where mining makes a major contribution to the nation's economy (Lloyd et al., 2013, p. 145). However, while nations across the world, particularly in Europe, are turning to renewable energy as a major fuel source, the Australian Government has shown less interest in this area (Waldhuter, 2017). Others have

also pointed to the mining industry's vested interest in climate change denial and a focus upon preventing both further regulation of the industry and a shift away from fossil fuels in favour of other energy sources (Cook, 2016).

In Australia, CSG exploration and the GGP, in particular, can be understood within the dynamics of this broader context. In the case of the GGP though, AGL decided to pull out of this project in February 2016, following eight years of scrutiny, community backlash and delays. However, not all CSG projects in Australia and NSW have ended up with a decision by the company to pull out despite the existence of considerable community opposition. It is also important to note that there were organised interest groups within Gloucester that supported the project arguing that it would generate economic growth and create jobs: two factors that were often viewed as being particularly important in helping to stem the flow of young people moving away from regional and rural communities. Thus, the GGP is a particularly interesting case study for exploring the role that interest group mobilisation and the media play in limiting business power.

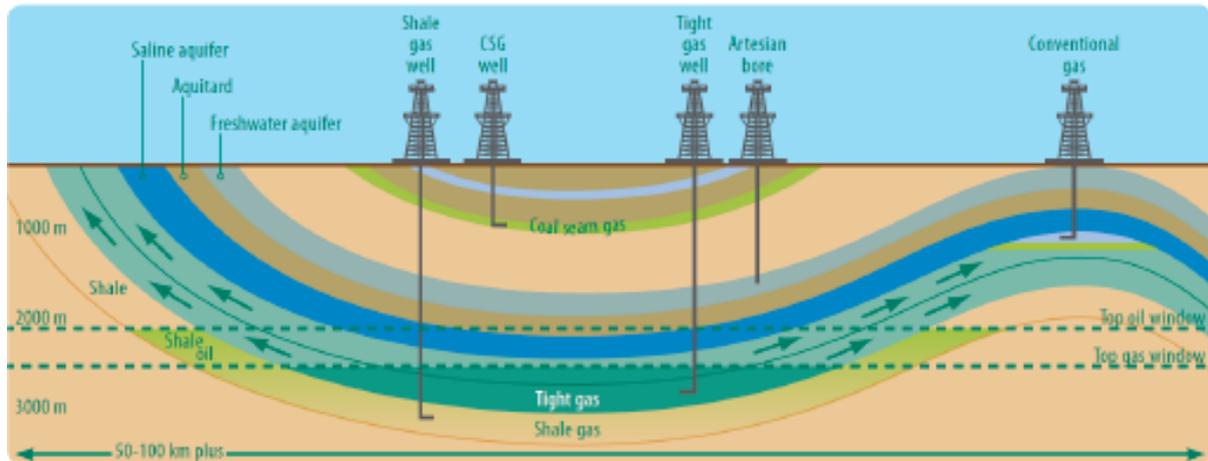
This Chapter provides an overview of the key issues surrounding CSG starting with a broader perspective before then narrowing down to how the issue has evolved in NSW. The first section briefly considers CSG's role as a form of unconventional gas extraction. The evolution of CSG in the US is then discussed in the second section, highlighting concerns for the environmental and social impacts of unconventional gas extraction, such as the contamination of water. The third section then considers the evolution of CSG in Australia, discussing the significance of fossil fuels as a contribution to Australia's economic prosperity. I also consider the development of unconventional gas in Queensland, focusing largely on the land rights controversy that sparked media headlines across the country. Subsequently, the State of NSW is considered more closely. Here, there is a discussion of CSG projects in NSW both past and present. Key government policies are also outlined, including the NSW Chief Scientist's Report, the NSW Gas Plan and the Strategic Regional Land Use Policies. The 2015 the State Election is then considered, given the future of CSG emerged as a key election issue. Finally, in the fourth section, the role of the Australian Commonwealth Government, the NSW Government and the relevant Australian regulatory bodies are outlined.

3.2 Coal Seam Gas

Both conventional and unconventional gas are forms of natural gas, but the difference between them depends on the method of extraction used. Conventional gas contains approximately 90 per cent methane, with “ethane, propane, butane and other hydrocarbons making up the remainder” (CSIRO, 2015). During extraction, gas rises to the surface of the well naturally without being pumped (EPA, 2015). Conversely, depending on the geology surrounding the well, unconventional gas may require simply a drilling method or a more invasive form of hydraulic fracturing to release the gas (also known as ‘fracking’, or, as I will use throughout this thesis, ‘fracking’). The technique used may also depend on the type of unconventional gas being mined.

There are three main types of unconventional gas: CSG; shale gas; and tight gas. CSG (also known as Coal Bed Methane (CBM)) consists of “almost pure methane” (CSIRO, 2015). It is a natural gas that is extracted from coal deposits, which exist between 300 and 1000 metres underground (Millar et al., 2016, p. 671). This gas is mostly comprised of methane and exists deep within the coal seams, requiring depressurisation methods to release it. The second form of unconventional gas, shale gas, is gas that is trapped in rock (sandstone and limestone) at a much greater depth than other gas, usually at 1,500 metres or more (CSIRO, 2015). It is the most common type of gas extracted in the US due to technological transformations after 2009 which allow for “high volume” fracking (Howarth et al., 2011, p. 681, Sovacool, 2014, p. 250). Finally, tight gas exists in “low permeable reservoirs” that require significant fracking (Sovacool, 2014, p. 250). However, unlike shale gas, which is found mostly in sandstone and limestone, tight gas is found in reservoir rocks (Ahmed and Meehan, 2016, p. 13). What was being proposed in the case of the GGP was the extraction of CSG.

Figure 1. Geological Settings for Conventional and Unconventional Gas



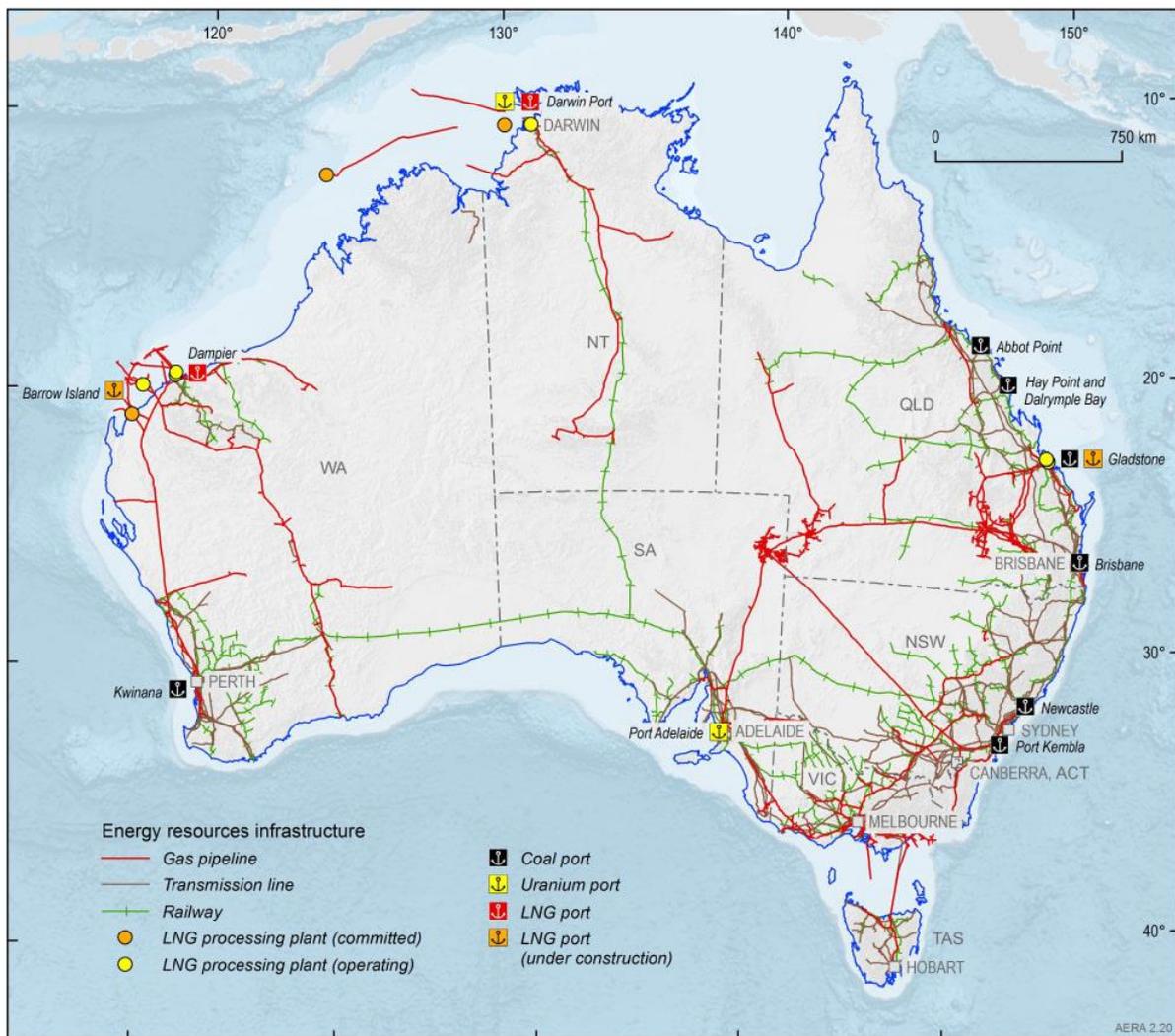
Source: O’Kane 2013, p. 39

The extraction of CSG relies on hydraulic fracturing or fracking. Fracking is a controversial method of gas extraction that aims to stimulate the flow of gas. Fractures are created within the well under pressure, by pumping large amounts of water, sand and fracking fluid (De Rijke, 2013b, p. 13). Consequently, horizontal fractures are created with the use of modern drilling techniques, which then causes the gas within the coal seams to be released (De Rijke, 2013b, p. 13). Although this process of fracking has been heavily criticised, it has also been “regarded as a valuable key” allowing unconventional gas to be extracted and exploited (Bec et al., 2016, p. 716). In all of these cases, the techniques required to extract unconventional gas requires a “greater density of wells” and infrastructure, “including well pads, pipelines, compressor stations, processing plants, roads and water treatment facilities” (De Rijke, 2013b, p. 13). Thus, unconventional gas extraction is much more controversial than conventional gas extraction techniques, with some pointing to the greater environmental risks associated with fracking (Grafton et al., 2016, p. 5). For example, every well that is fracked can require up to 200,000 litres of fracking fluid and chemicals and 20 million litres of fresh water (IEA, 2012).

In Australia, large reserves of unconventional gas exist, including shale gas, tight gas and CSG, but CSG is the most commonly extracted as it is the most accessible form of unconventional gas (Turton, 2015, p. 54). Much of the CSG produced by Australia is transformed to Liquefied Natural Gas (LNG), which is simply natural gas that is liquefied to allow for transportation

(Shah, 2017, p. 9). This gas is taken to LNG facilities where it is liquefied, a process which initially involves the removal of nitrogen dioxide and water. The gas then undergoes a liquification through refrigeration systems, where propane, ethylene and methane are added; ultimately, this process makes the gas suitable for transportation by reducing its volume 600 times (Australia Pacific LNG, 2017). Figure 2 provides a map of Australia's energy infrastructure with a particular focus on its gas pipeline and the LNG ports from which gas can be exported onto the international market (Geoscience Australia, 2018, p. 20). The map illustrates that Australia's gas market is actually divided into three regions as there is no pipeline that connects the entire country. The three regions are known as the Eastern, Northern, and Western gas regions.

Figure 2. Map of Australia's Energy Infrastructure



Source: Geoscience Australia, 2018, p. 20

Due to the creation of these LNG facilities shown in Figure 2, Australia has become “the world’s second largest exporter [of LNG] in 2016” particularly following the completion of the Gladstone LNG plant in Queensland in 2014 (Alam et al., 2017, p. 4). Australia currently has seven LNG facilities in operation in the Northern Territory, Western Australia and Queensland, and the Government have estimated that with easier transportation and the opening up of export markets, the demand for gas will increase threefold in the future (Forcey, 2016). The Australian case will be examined in further detail in the sections that follow, but, before I do so, I will briefly outline the evolution of unconventional gas in the US given the crucial role that it has played when it comes to the extraction of unconventional gas.

3.3 Unconventional Gas Production in the United States

The US is considered to be the birthplace of the gas revolution (Curran, 2017, p. 427). The US has extracted unconventional gas since the early 1800s. However, major advancements in technology, such as technology assisted hydraulic fracking, have allowed it to extract larger amounts of gas at lower cost; thus making the extraction of CSG a commercially viable proposition (Curran, 2017, p. 427, Islam, 2014, p. 39). The dramatic increase in natural gas extraction since the early 2000s has been largely driven by small entrepreneurial exploration and production companies, initially in Texas and Arkansas, but it now across various parts of the country (Ladislaw et al., 2013, p. 4). Today, natural gas exploration has been taken over by larger companies, yet the controversy surrounding the social and environmental impacts of gas to local and surrounding communities is at an all-time high (Davis, 2017, pp. 11-12).

The US has an abundance of tight gas, coalbed methane and shale, gas, with plants spread over large geographic proximities, but with particular concentrations in Pennsylvania and Texas (Curran, 2016, p. 428) which provide the US with at least half of its gas supplies. Unconventional gas has arguably brought with it many job opportunities within the US, with states demonstrating “positive total employment effects” (Cronshaw and Grafton, 2016b, p. 97), alongside strong economic growth, resulting in more infrastructure and a lower reliance on importing energy from other countries (Davis, 2017, p. 2).

However, there have also been ongoing criticisms and concerns over the environmental and social impacts of unconventional gas extraction. In the US, criticism has focused upon contamination of water, but there have also been reports of an increase in seismic activity surrounding wells in Oklahoma, Texas, Arkansas, Kansas and Ohio, where much hydraulic fracturing takes place (Shah, 2017, p. 9). As such, most states have required companies to provide more information on the amount of water being used during the fracking process (Davis, 2017, p. 11-12), as well as information about geological mapping before the drilling of new wells can take place (Lehr and Keeley, 2016, p. 175).

The issue in the US has also played out differently than in Australia, with many activists and scientists complaining about deliberate attempts to ignore environmental and health concerns, dating back to 2001 and the actions of the Bush Administration (Rahm, 2011). The Bush Administration, under the influence of Dick Cheney (a former CEO of an energy company), created the National Energy Policy Development Group, which gave energy industry representatives a greater influence over environmental policy (Lynch et al., 2010, pp. 219, 221). In particular, under the Bush Presidency, fracking was “made exempt” from the Safe Water Drinking Act under the Energy Policy Act 2005 (Gasland, 2010). As such, toxic chemicals could be injected into the water used for fracking without the need for them to be reported to the authorities. Accusations followed concerning the contamination of drinking water (Gasland, 2010, Finewood and Stroup, 2012, p. 72). Other “legislative and regulatory exceptions” were also passed during this period, including the Clean Air Act 1970, the Safe Drinking Water Act 1974, the Resource Conservation and Recovery Act 1976, the Comprehensive Environmental Response, the Compensation and Liability Act 1980 and the Emergency Planning and Community Right to Know Act 1986 (Centner and O'Connell, 2014, p. 359). Due to these exemptions, many regulatory responsibilities were handed over to the States, with different States showing different levels of oversight and compliance (Centner and O'Connell, 2014, p. 359-360).

Subsequently, concerns have emerged over the environmental and health threats posed by CSG, particularly regarding water contamination. For example, Rahm has cited the following examples of water contamination:

In 2008 in southwest Pennsylvania, parts of the lower Monogahala River were found by the Army Corps of Engineers to have too high a salt content. The Army Corps cited drilling in the Marcellus Shale as a possible cause.... In Hopewell Township, Pennsylvania in 2009, a spill of fracking fluid into a water body resulted in a fish and amphibian kill. Pennsylvania regulators fined the responsible company \$141,175. In 2009, Dimock, Pennsylvania experienced three spills of fracking fluid totalling more than 8000 gallons (30,284 l). The spills entered a nearby creek and the operators were fined \$56,650 by Pennsylvania regulators (Vaughan and Pursell, 2010 in Rahm, 2011, p. 2976).

It has also been argued that these legislative exemptions have led to the continual pollution and contamination of water across States, causing considerable environmental damage and health effects (Rahm, 2011, p. 2977). The United States Environmental Protection Agency has since been investigated fracking and its potential impacts on drinking water; however, this has taken place against the backdrop of some who have argued that there has been “little federal regulatory oversight” of the fracking process (Rahm, 2011, p. 2977).

In conclusion, the CSG industry has developed rapidly in the US, although concerns have also been expressed about the risks that have accompanied its development. The next section will focus upon mining and CSG in Australia, providing an overview of the development of the gas industry, and the attitudes of the government, industry and the public to CSG in Australia. A brief overview of the industry and its development in Queensland will also be provided, followed by a larger section on NSW to provide context for my case study on the GGP. I will then provide a brief history of Gloucester’s geographical and industrial development.

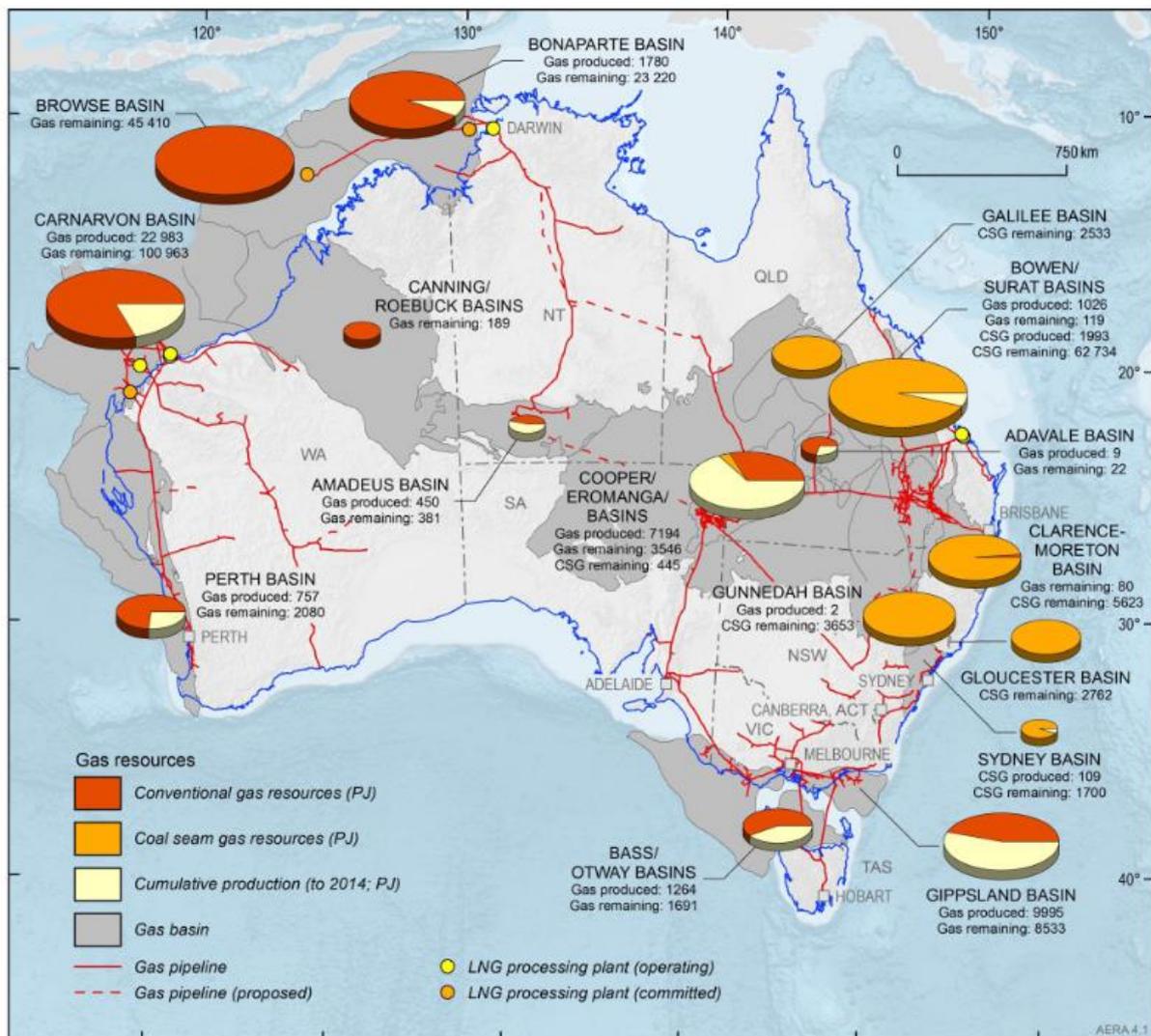
3.4 Mining in Australia

Australia has been a mining nation for decades, with an abundance of natural resources, which has made it a major net exporter of minerals (Bec et al., 2016, p. 716). Australia sells low cost minerals, particularly to China, India and the Middle East, and mining is by far Australia’s largest export, bringing with it considerable economic benefits (Cleary, 2011, p. 21). The past decade has been the most prosperous, as Australia has experienced a mining boom due to rapid economic growth in China and other emerging Asian economies, which has significantly increased demand for exports to a level at which supply could not always keep up with demand (Kramer, 2016, p. 3). Indeed, the OECD reported that “capital expenditure in the mining sector [in Australia] had tripled between 2003 and 2011” (2012, p. 55).

This rapid expansion in mining has been cited as one reason for the rise in commodity prices and the emergence of Australia's 'two-speed economy', as the wealthy states, such as NSW, Western Australia and Queensland, have largely prospered, whilst other states have suffered under either economic decline or stagnation (Hossain and McIntosh, 2013, p. 95, Kramer, 2016, p. 3, Fleming and Measham, 2015, p. 80). Many have also pointed to how the mining boom had taken "the dollar to unprecedented heights, pushed up the exchange rate and contributed to a two speed economy that has reduced some exports and inbound tourism" (Davies, 2016b, p. 8). Although this 'two-speed' economy is seen as unsustainable, and notwithstanding a decrease in demand and a price fall for coal and CSG, the Australian Government has made it clear that they remain committed to the continued production of fossil fuels and their export (Hook et al., 2017, p. 49).

The price rise in non-renewable resources has also driven energy companies to look for new opportunities to extract more unconventional fossil fuels, such as CSG. This drive, coupled with advances in new extraction and liquification technologies, has "seen unexploited reservoirs of traditional and unconventional fossil fuels converted to profitable sources of energy" (Fleming and Measham, 2015, p. 80). At the same time, the CSG industry has promised to continue exporting CSG cheaply to low and middle income countries, provide a cheap and more sustainable energy source to the domestic market and contribute to economic prosperity, by expanding its export markets (Randall, 2014, p. 152, Gray and McCoy, 2016, p. 160). Consequently, CSG has been earmarked to produce half of Australia's gas supply by mid-2020 (Randall, 2014, p. 158, Lloyd et al., 2013). There are currently approximately 7,500 wells in operation in Australia, and this number is expected to rise to 40,000 by 2020 (Morgan et al., 2016, p. 24). Figure 3 provides a summary of Australia's conventional and unconventional gas reserves. As explained below, much of the early activity and production in unconventional gas exploration originated in the state of Queensland, which was an early pioneer when it came to the development and use of fracking in Australia.

Figure 3. Map of Conventional and Unconventional Gas Reserves in Australia



Source: Geoscience Australia, Encom GPinfo, a Datamine Australia Pty Ltd. Whilst all care is taken in the compilation of the petroleum pipelines by Datamine, no warranty is provided re the accuracy or completeness of the information, and it is the responsibility of the Customer to ensure, by independent means, that those parts of the information used by it are correct before any reliance is placed on them. Accurate at August 2017.

Source: Geoscience Australia 2018, p. 20

3.5 Queensland: An Early Pioneer

Queensland is a key mining state in Australia with abundant natural resources (Cronshaw and Grafton, 2016c, p. 286). In 1996, it also became the first State in Australia to produce commercially viable levels of CSG from the Bowen Basin in Eastern Queensland. Whilst overall production of CSG remained relatively low until 2006, it dramatically rose in the following period with demand for gas increasing tenfold between 2006 and 2012 (Cronshaw and Grafton, 2016c, p. 286). This increase can be partly explained by rising domestic demand and the demands of a future export market following the completion of three major LNG export

facilities on Curtis Island, Gladstone, between 2014 and 2015 (which is located 470 km northwest of Brisbane). One-third of Queensland's gas supply now comes from the Surat Basin with a large amount also being extracted from the Galilee Basin (Cronshaw and Grafton, 2016c, p. 286).

The shift towards unconventional gas as a domestic energy source in Australia can be largely explained by the Queensland Government's Gas Scheme, which was introduced in 2005. This scheme provided a major increase in production for the gas industry and was conducted under Part 5A of the Electricity Act 1994 (Towler et al., 2016, p. 254). This legislation required that a minimum of 13% of the energy supply of businesses be generated from gas (Lyster and Bradbrook, 2006, p. 163). The scheme was subsequently cancelled in 2013, when it was claimed that it had served its purpose in increasing Queensland's levels of domestic gas production and consumption (Hepburn, 2015, p. 188). However, since January 2015, the attention has shifted towards exporting gas from coal seams as Liquefied Natural Gas (LNG) to the export markets, particularly in Asia (Towler et al., 2016, p. 249). Exports of LNG have dramatically increased, with an aim to make Australia "the world leading exporter of LNG by 2020" (Towler et al., 2016, p. 249).

Despite the export-market for CSG only recently opening, CSG had been a "politically charged" and "regular feature of Australian newspaper headlines" over the previous decade (Turton, 2017, p.155). Some have identified the legal framework which determines land use as being "at the heart of the conflict" (Angelo and Du Plessis, 2017, p. 396). This is because in Australia the landowner does not own land below the sub-surface. Therefore, "private landowners do have the option to either exempt their land from the application of a licence or to circumscribe the scope of the licence" (see Chapter 4) (Hepburn, 2011). In August 2011, Queensland Greens Senator Larissa Waters introduced the *Landholders Right to Refuse (Coal Seam Gas) Bill 2011*, in an attempt to protest at the way in which the Government and CSG industry have handled the issue of land rights (The Greens, 2017). Senator Waters travelled the nation, visiting affected communities and protesting against both CSG and coal mining in an effort "to protect our land, water and climate from CSG" (The Greens, 2017). The Bill has since been interpreted as an attempt to place pressure on the Government to buy back land that

had been purchased for CSG development, but the consensus is that it is not an “appropriate and workable response” to the issue (Mitchell., 2015).

Further, there was strong media coverage surrounding CSG and land access issues following the suicide of George Bender, a cotton and grain grower from Queensland, in 2015. Bender had previously told the ABC in an interview, in 2014, that he had felt that “the [energy] companies didn’t really care about how they treated you” (George Bender in Willacy, 2015). His daughter Helen Bender, who remains opposed to CSG, explained on the ABC television programme *Q and A* that her father had felt bullied by Origin Energy, who had expressed its intention to explore for CSG reserves on his property. In addressing the audience, she explained that “he was concerned about what was going to happen to the cows if they drank the water”, and that the fight against CSG “consumed all his energies” (Helen Bender in Hannam, 2015g). In commenting to the media, Bender’s neighbour also told the ABC that “(I)it has escalated to the stage where they tried to buy his property, which is like cutting your arm off, a property that George had nurtured for years and is proud of” (Willacy, 2015). The press subsequently reported that Bender had committed suicide due to the pressure that exploration companies had placed on him to sell his land (Hannam, 2015g, Willacy, 2015).

In response to Bender’s suicide, the Queensland Resource Council, which represent the minerals and energy resources sector in the State, claimed that Bender’s death was “hijacked” by “professional anti-gas activists, certain politicians and Sydney shock jock [Alan Jones] – who are far from pure in their motives” (Hannam, 2015g).³ Yet, despite the enormous backlash against CSG and the distress that CSG is said to have caused in local communities, there are still many landowners who welcome the existence of CSG on their properties and some within the community who support the industry. Nevertheless, issues of land ownership have been a chief concern when it comes to the question of CSG in Queensland as well as in the other states, including NSW.

³ Alan Jones is a renown Australian radio broadcaster who publicly opposes CSG and has been described as leading “an extraordinarily successful campaign against coal seam gas”. It has been argued that Jones’ lack of support for CSG is due to his own properties being under threat from CSG operations (Parkinson, 2015).

3.6 Coal Seam Gas in New South Wales

Whilst NSW does not have the same history of mining as Queensland (Scott, 2013, p. 295), similar levels of frustration and division in communities across NSW have been caused by the CSG issue (Lloyd et al., 2013, p. 161). Importantly, no major projects in NSW have moved beyond exploration phase (with the exception of a small production plant in Camden). However, concerns have still been expressed about the industry's social, economic and environmental impacts, with the debate involving an "eclectic mix of left and right wing stakeholder groups" (Wearing et al., 2014, p. 50). Interestingly, in a CSG community study conducted in Queensland and NSW, Lloyd et al. (2013, p. 161) found that "there are clear divisions in affected communities, as those who either support the industry or who are financially benefiting become polarised from those who do not wish to see the industry develop". As my case study of the GGP will illustrate, this is a common theme within CSG communities. Those opposing CSG tend to do so because it is viewed as a threat to their livelihood, environment, health or children, while those supporting it see the need to reverse rural decline through the economic growth and jobs that such an industry could generate. The loss of property rights, lack of regulation and minimal and ineffective consultation of key stakeholder also remain fundamental concerns that divide opinion within communities affected by CSG.

Historically, CSG was first explored in NSW in 1937 but commercial exploration only really began from 1996 when technological advances made it an economically viable option (Thomas, 2015). Commercial interest in CSG exploration has since centred around several projects in NSW, including projects located in Camden, the Northern Rivers region, Narrabri and Gloucester. Only the Camden project has transitioned into full-scale commercial production, although its output is very small. However, regulation of CSG has also changed significantly during this period, partly in response to the lack of clarity regarding responsibilities between government departments and the granting of many exploration licences by the then then Labor Government in the early period, when the industry was still in its infancy (SBS, 2014). This led to numerous protests across NSW and a State Parliamentary Inquiry in 2011, which recommended changes in the policy about land compensation, as well as further environmental precautions, particularly regarding water. I will briefly discuss each of the projects discussed above, with the exception of the GGP, given that it will form the basis of my detailed case study analysis in the Chapters that follow.

In NSW, the first commercially viable levels of CSG production came online in 2001 from wells located in Camden, which is located in south-west Sydney (Snashall and Genter, 2017). However, overall production from this site has remained very low, with its owner, AGL Energy, claiming that the project has produced about five percent of the State's gas supplies since operations began (AGL Energy, 2016b). Further, in February 2016, AGL announced that it would be closing its operation in Camden by 2023, 12 years earlier than anticipated (Elmerhebe, 2016). The announcement that this plant would close early generated mixed responses, with supporters describing it as a blow to NSW's gas supplies while opposition groups welcomed the news (Coulton and Loussikian, 2016).

Prior to this announcement, another energy company, Metgasco, had also reluctantly announced its decision to withdraw from their proposed Northern Rivers Gas project. This proposal sparked a significant backlash from the surrounding community, including the Bentley Blockages: one of the most high-profile cases of protest around the CSG issue (ABC, 2014a). Following sustained community pressure, Metgasco's licence was suspended in May 2014 on the grounds that they had not engaged in sufficient community consultation. This decision came about after a Metgasco general meeting in which those present "voted three to two in favour accepting the buyback of the licence" (Davies, 2016a). The meeting was incredibly intense and the Board were accused by shareholders of giving into community opposition and the Government by accepting the buyback (Davies, 2016a). Conversely, community members opposed to the development explained that "Metgasco [had] never received a social licence to operate in the Northern Rivers" (White, 2015), whilst Greens MP, Jeremy Buckingham, argued that it was a lesson in the importance of obtaining a social licence to operate (Brisman et al., 2015). Despite Metgasco claiming that they decided to accept the buyback because the project was not financially viable, residents opposed to the development claimed that it was because of the strong community backlash. It was even stated that, during the Bentley Blockade, "police were rather reluctant about moving against the community", as they understood the community's opposition to the project (ABC, 2014a).

Despite these previous cancellations and buybacks, another energy company, Santos, has been working on another CSG project, the Narrabri Gas Project (NGP) in the Pilliga State Forrest since 2011. In February 2017, it submitted an Environmental Impact Statement (EIS) and is

currently awaiting for approval to enter into the production phase. The project is designed to develop 850 gas wells over a 20 year period with an estimate that the project could provide up to half of the state's gas needs and 1,300 jobs (Gasland, 2010). Many exploratory wells have already been drilled, together with the establishment of pipelines and water treatment-facilities (Coulton and Loussikian, 2016).

However, this project has also faced continued opposition from various groups, particularly regarding its potential environmental effects (Coulton and Loussikian, 2016, Lynch et al., 2010, Gasland, 2010). As a farming community, many residents are concerned about the project depleting fresh water aquifers and contaminating them with saline and other toxic chemicals (Miskelly and Daniel, 2017). Santos claims that the project will have no impact on groundwater resources and the Great Artesian Basin, but many opposition groups remain unconvinced (Gasland, 2010). Another key concern is the salt that will be generated from the wells, which is a by-product of the CSG production process. Findings have shown that in the second to fourth years of the project, the production of salt will “peak at 115 tonnes a day” and “average 47 tonnes daily over 25 years” (Lynch et al., 2010). Whilst the salt will be “managed by an offsite disposal”, Professor Stuart Khan of the University of NSW, has identified this disposal option as a last resort that will need to be managed very carefully, with the risk of contamination if salt is placed in a landfill (Lynch et al., 2010). Although “landfills will be lined with synthetic layer” to prevent leakage and contamination”, they will also need to be cleaned and replaced to prevent “environmental damage” (Lynch et al., 2010).

Despite the enormous backlash from opposition groups, Santos believes that up to 90 percent of farmers support the NGP and they remain confident that the project will receive approval to move onto the next stage, which is full-scale commercial production (Rahm, 2011). In the meantime, the Environmental Defenders Office (EDO) has been assisting community groups who opposed the development. The EDO, alongside other opposition groups, argued that the 60-day consultation period was not sufficient for the community to adequately respond to the EIS (Centner and O'Connell, 2014). However, now attention shifts to the NSW Department of Planning and Environmental who will conduct the approval process with advice from an “independent assessment commission” and an expert scientific panel (Centner and O'Connell, 2014). Overall, the NGP has come to be considered “a test-case for the local industry”,

particularly after the decision by several other companies to pull out from their operations in the state (Miskelly and Daniel, 2017).

3.7 Government Policy on Coal Seam Gas in New South Wales

In terms of policy settings, the developments outlined above have occurred in the context of changing policy and regulatory settings within government. Mining in NSW and across all States in Australia, is mostly regulated and monitored by the States, rather than the Commonwealth. As such, it is the NSW Government that sets the regulatory environment for mining companies and the processes that underpin mineral and petroleum exploration and production more generally, including the various licensing, assessment, approval and monitoring requirements for each project (NSW Farmers, 2014b, EPA, 2017a). These have changed over time in NSW, partly in response to public concern surrounding CSG and its development. The key developments are briefly reviewed in this section, while Appendix 1 provides a timeline of all the developments.

Most of the early concern about CSG stemmed from the way in which exploration licences had been granted by the Labor Government, which was in power from 2007 to 2013 (Parliament of New South Wales, 2012, pp. 105,108). Further concern was also expressed about the division of the responsibilities between different government agencies. At the time, four government agencies were responsible for CSG operations in NSW: the Division of Resources and Energy (under the umbrella of Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS)); the Office of Water (within the Department of Primary Industries, also under the umbrella of DTIRIS); the Department of Planning and Infrastructure (under the umbrella of Premier and Cabinet); and the Office of Environment and Heritage (within the Department of Premier and Cabinet)(Parliament of New South Wales, 2012, pp. 205-206). The NSW Ombudsmen reported that this was a source of confusion regarding the division of responsibilities between government agencies. For example, DTIRIS was “responsible for promoting industry and issuing licences” as well as “taking enforcement action on licences” (Parliament of New South Wales, 2012, p. 206) This created challenges as they were “advocating for business and industries” while also “being an independent arbitrator of regulatory issues in relation to those same industries” (Parliament of New South Wales, 2012,

p. 206). Below, Figure 4 illustrates the original CSG regulatory bodies in NSW, while Figure 5 illustrates these changes post 2015, as the remainder of this chapter will further outline.

Figure 4 NSW Government Regulatory Bodies prior to 2015

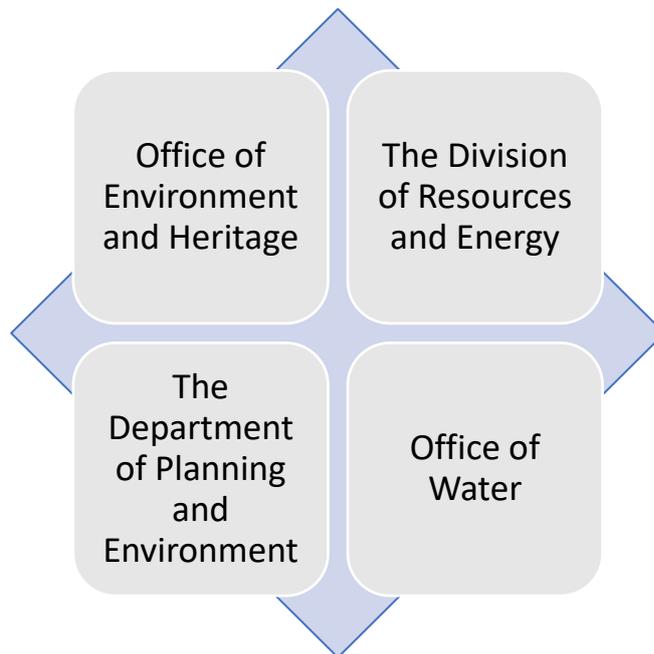
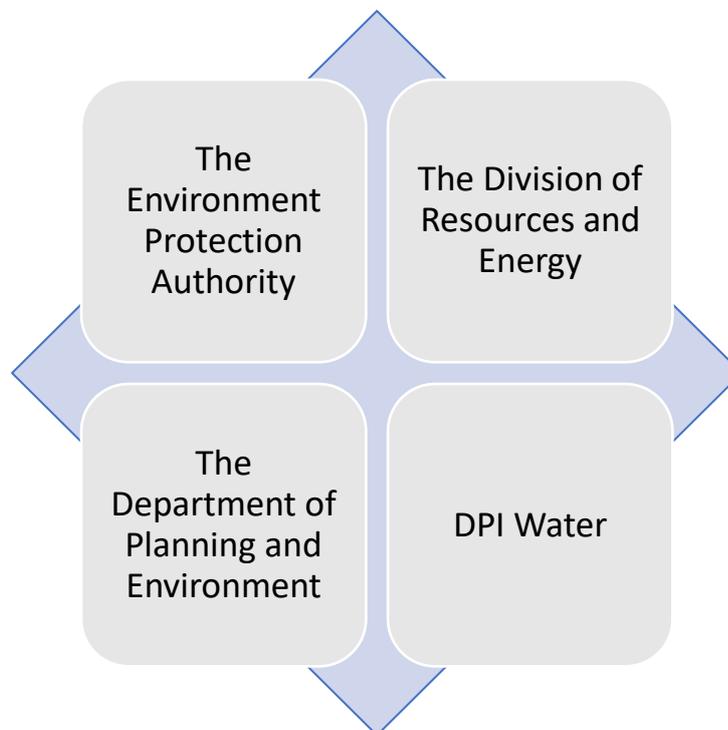


Figure 5 NSW Government Regulatory Bodies from 2015



Returning to the way in which licences had been granted, some argued that the Government had handed out exploration permits “like confetti” to “2-dollar companies” (Parliament of New South Wales, 2012, pp. 105, 108). In total, the then Labor Government had granted 39 exploratory licences to companies across NSW, enough to cover one third of the State of NSW (Duus et al., 2015, p. 34, Total Environment Centre Inc, 2011). This included the Clarence Morton Basin, Gunnedah Basin and urban areas including Sydney, Newcastle and Wollongong (Total Environment Centre Inc, 2011, SBS, 2014). As the Total Environmental Centre Report (2011, p. 3) outlined: “it has been acknowledged at both State and Federal Government levels, that the industry is running ahead of both regulation and the science” and therefore the “development process has become controversial”.

Much of this early controversy and protests centred around urban areas in NSW. For example, in 2004, Sydney Gas drilled CSG wells in the Dooralong and Yarramalong Valley. The company “attempted (the) development of a gas field” in the area, yet due to concerns of both “ground water and pollution” (Stubbs, 2015), and the development being situated in the Central Coasts Water supply catchment, they eventually decided to pull out of the project (Stubbs, 2015, Total Environment Centre Inc, 2011, p. 3). In response to these concerns, in 2010 the NSW Farmers Federation “passed a motion calling for moratorium on the further development coal and CSG development” in NSW (Claughton, 2010). NSW Farmers explained that this was due to incidents involving the finding of hazardous Benzene, Toluene, Ethylbenzene and Xylene (BTEX) chemicals in Queensland, and also a reaction to the concerns raised in the film *Gasland*, directed by Josh Fox in the US, as I discuss in more detail below (Claughton, 2010). Further, the National Water Commission had also released a position statement which expressed their concern of water issues associated with CSG, such as potential contamination and water use (Duus et al., 2015,p. 33). These concerns followed with the formation of Lock the Gate Alliance after a number of meetings took place in Queensland and NSW (Duus et al., 2015, p. 33). By this point, a series of protests across the State had drawn considerable attention to the issue of CSG, including: public forums on the then NSW Coal and Gas Strategy in Lithgow, Gunnedah, Singleton (Duus et al., 2015, p. 32); protests in September 2011 in Newtown, an inner city suburb of Sydney, where Dart Energy had proposed to drill wells 100 metres from homes (Hinman, 2011); and in Martin Place Sydney, where 400 people protested about the risks of CSG to water sources (*SMH*, 2011).

On 5 August 2011, a NSW Parliamentary Inquiry into CSG was established, partly in response to this growing community concerns, with a remit to “report on the environmental, health, economic and social impacts of CSG activities” (Parliament of New South Wales, 2011). A report was subsequently released 1 May 2012, nine months after it had engaged with the “public, government agencies and relevant organisations” (Parliament of New South Wales, 2011, Parliament of New South Wales, 2012). The report provided 35 recommendations aimed to ensure that the necessary precautions are taken in conducting CSG related activity. These recommendations resulted in a number of policies aimed at mitigating the risk associated with CSG, and compensating local landholders (Parliament of New South Wales, 2012, pp. xvii - xxi).

In February 2013, and following the events outlined above, the then NSW Premier, Barry O’Farrell, asked the NSW Chief Scientist, Mary O’Kane, to “conduct a comprehensive review of CSG related activities”, including its health and environmental impacts (Chief Scientist and Engineer, 2014). O’Kane published her final report on 30 September 2014. As was widely reported in the media at the time, O’Kane’s overall conclusion was that the risks associated with CSG could be successfully managed and that, despite the need for significant improvements, the CSG industry was “is not significantly more likely to be more damaging or dangerous than other extractive industries” (O’Kane, 2014, p. 8). Describing the issue as “complex and contentious”, O’Kane nevertheless implored the Government and the industry to “approach the issues with eyes wide open” and with a “full appreciation for the risks, complete transparency, rigorous compliance, and a commitment to addressing any problems promptly with rapid emergency response and effective remediation” (O’Kane, 2014, pp. i, iv). In total, O’Kane made sixteen recommendations. These included the need for:

- fair and appropriate land access arrangements
- more generous compensation for locals who are impacted by CSG activity
- the streamlining and strengthening of Commonwealth and State legislation and regulations concerning CSG
- the designation of CSG related areas and the exclusion zones
- a more comprehensive policy insurance to cover environmental risks and to enable rehabilitation to take place

- a whole-of-environment data repository that can (Bosworth, 2014, pp. 305-310, O'Kane, 2014)

On this basis, many at the time felt that the Report represented a 'green light' for the CSG industry. Nevertheless, a year after the Report was released, environmental groups claimed that the Government had been too slow to act on the recommendations with eight out of the fifteen still not yet fully implemented (Cormack, 2015). Yet, the *SMH* acknowledged that the Government had made efforts to address some of the recommendations in the Report, such as introducing new regulations and cancelling exploration licences, Cormack (2015) argues it was not sufficient to address the risks associated with CSG. Similarly, representatives of the Lock the Gate Alliance claim that the push for compensation was a way to buy community support, and that the industry and the Government were not addressing its fundamental concerns (Gerathy, 2014).

Following on from the recommendations contained in the NSW Chief Scientist's Report, the Government implemented several policy reforms, including a Strategic Regional Land Use policy; a NSW Gas Plan; and a licence buyback scheme. In the case of the Strategic Regional Land Use policy, two were developed to cover the Upper Hunter Region (covering the GGP) and the New England, North West (covering the NGP). These policies included: the identification of strategic land administered by a new framework called the 'Gateway Process'; the appointment of a Water Commissioner; an accompanying Aquifer Interference Policy; and an assessment of land via an 'agricultural statement'. In some cases, this involved the introduction of new two kilometre buffer zones around protected areas, including villages and prime agricultural land (Newcastle Herald, 2015). Speaking in support of the new policy, NSW MP, Kevin Humphries, emphasised that this was "the first time in the State's history that a government in NSW has taken measures to protect prime agricultural land and associated national resources" (Humphries, n.d.).

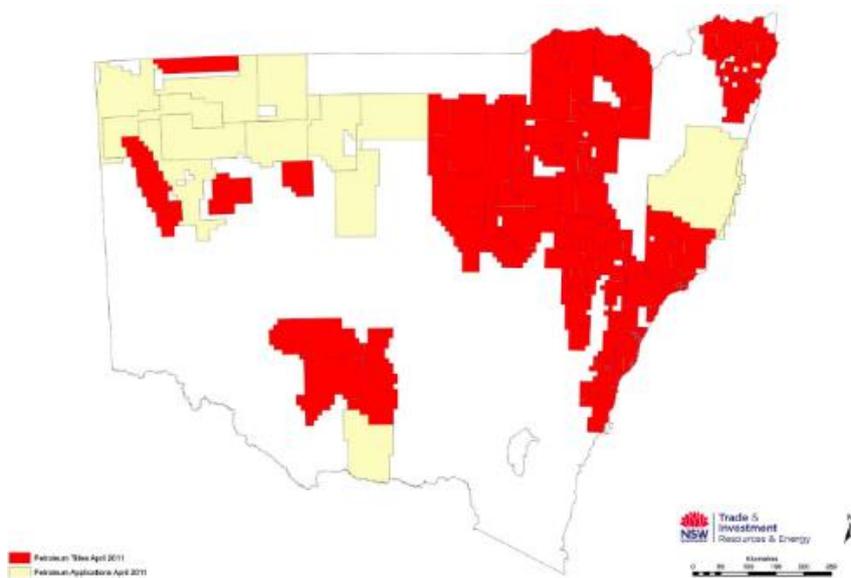
In November 2014, the Government also announced the NSW Gas Plan. The NSW Gas Plan outlined a focus on maintaining gas supplies for NSW, with the Government claiming that this CSG could be "effectively managed with the right regulation, engineering solutions, and

ongoing monitoring and research” (DPE, 2014a). Acknowledging a previous lack of oversight and planning, the Plan outlined the Government’s new provisions, which included: the implementation of a two kilometre buffer zone around suburban areas; the introduction of the Aquifer Interference Policy; the development of a Code of Practice for Well Integrity; and a policy on evaporation ponds and BTEX chemicals (DPE, 2014b, p. 1). Due to the recommendations contained in the NSW Gas Plan, a key follow-up initiative also included the creation of an Independent Pricing and Regulatory Tribunal, which subsequently produced the report, *Landholder benchmark compensation rates: Gas exploration and production in NSW* (IPART, 2015b). The Report recommended benchmark compensation prices in support of landholders as an attempt to deal with the issues surrounding land access. Whilst this was welcomed by some communities, it also received a mixed response in some quarters. Nevertheless, the Minister for Resources and Energy, Anthony Roberts, claimed that the Government’s new gas plan “balances the needs of the community, the economy and environment” (Cormack, 2015, p. 1).

Alongside these policy developments, the Government also engaged in a significant licence buyback program, following the concerns expressed earlier. First by announcing a freeze on any new licences in March 2014, and then by moving to buy, annul or cancel others that it had already granted. The Government’s intention to implement this buyback program had already been announced under Action Point 4 of the NSW Gas Plan (DPE, n.d.). However, debate about it, and other CSG-related issues, were an important issue during the 2015 State Election campaign (Horne, 2015). This followed, amongst other actions, Luke Foley, the NSW Opposition Leader’s, declaration that, if he was elected, he would cancel all existing CSG licences, and not grant any new ones. The NSW Premier at the time, Mike Baird, despite having previously cancelled 12 licences, was reluctant to cancel many more as he emphasised that the industry should retain an important place in the State’s economy (Foschia and Gerathy, 2015). Whilst the licences had originally been granted by the previous Government in 2008, Labor had shifted its position and were now strongly opposed to any future CSG developments following environmental and social concerns and changing public sentiment (Horne, 2015, Aird, 2015). Mike Baird defended his position during the election by arguing that the Government was following the Chief Scientist’s recommendations, and that they would get “the best, tightest regulation and they (we) only go forward on their (our) terms” (Aird, 2015).

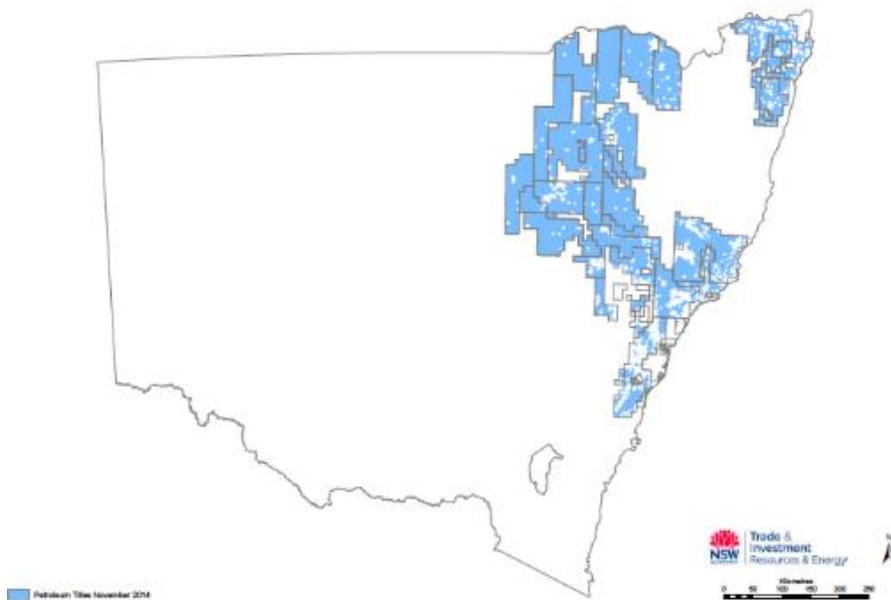
Although Mike Baird was returned as NSW Premier, the election results nevertheless saw an increase in the number of votes for the Greens, and the election of Green members for Newtown, Balmain and Ballina. As such, some have interpreted the Green's success as evidence of support for the anti-CSG movement in NSW (Foschia and Gerathy, 2015). Indeed, on announcing his win, the Greens Member of Parliament (MP) for Ballina, claimed: "I think it just sends an incredibly loud message that people are ready to deal with climate change, renewable energy and they don't want CSG in this area" (Foschia and Gerathy, 2015). Further, in an ABC Compass Survey conducted 2015 NSW Election, it was found that, out of forty two thousand respondents, sixty two percent agreed that CSG should be banned in NSW whilst forty nine percent of LNP voters did not support CSG activity (Aird, 2015). This response was most common in regional areas, with sixty nine supporting a CSG ban, as "farmers are concerned about the impact on agricultural land and water" (Aird, 2015). In July 2015, the Government also moved to buyback four of AGL's Petroleum Exploration Licences (PEL) (PEL2, PEL 4 and PEL 267), which covered regions in the Hunter, Illawarra and West Sydney (ABC, 2015b). Today, only Santos and AGL still have the necessary approvals to explore for CSG in NSW. However, several companies continue to own PELs that give them the 'right' to explore for conventional and unconventional gas reserves, subject to them passing the appropriate regulatory approvals. However, as it stands, these companies have not made the necessary applications to commence exploration in the areas covered by their licences. Figure 6 shows the PELs that were effective before the various buybacks and cancellations discussed above, Figure 7 shows the PELs that were effective as of November 2014, and following the buyback, whilst Figure 8 shows the latest situation as of December 2016.

Figure 6. Map of Petroleum Titles and Applications Before the Licence Buyback (April 2011)



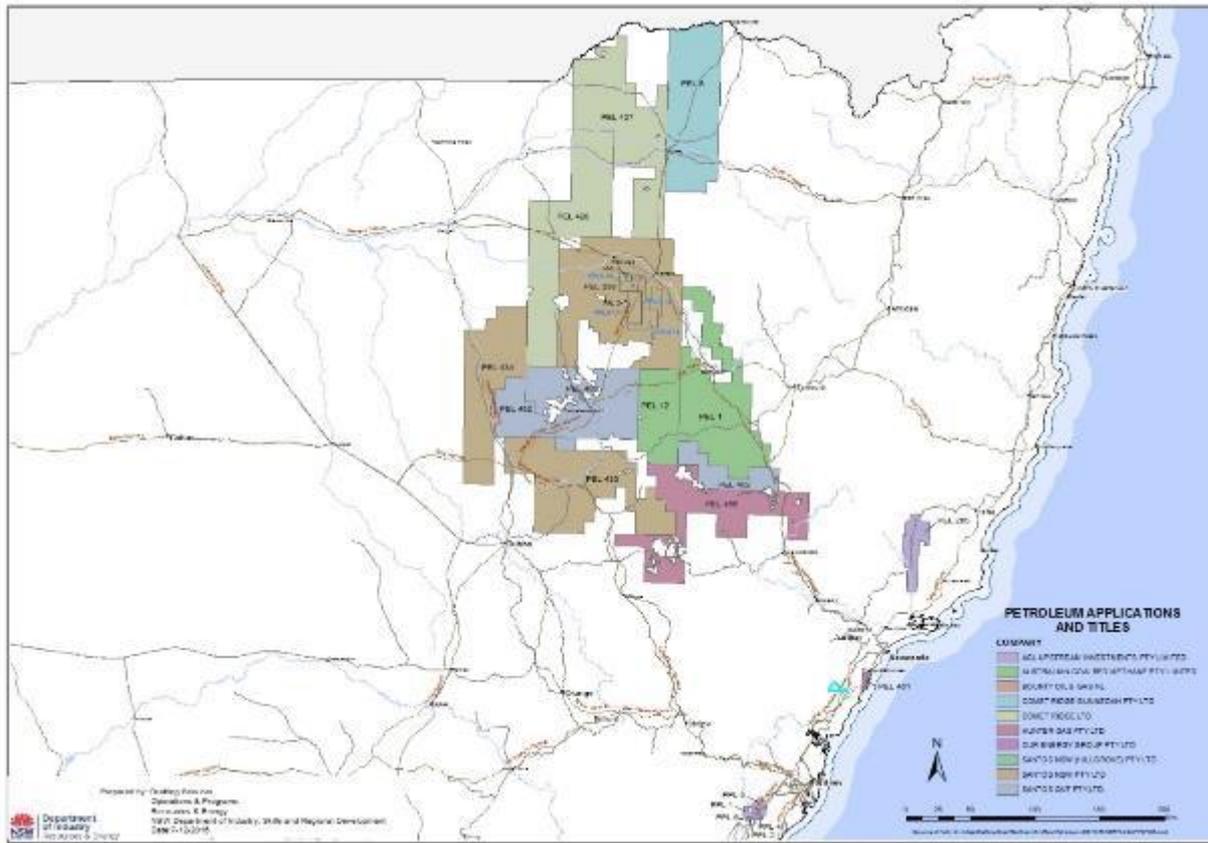
Source: DPERE, 2014b, p. 9

Figure 7. Map of Petroleum Titles and Applications After the Licence Buyback (November 2014)



Source: DPERE, 2014, p. 9

Figure 8. Petroleum Exploration Licences in New South Wales (December 2016)



Source: DPERE 2016

In conclusion, the relationship between the Government and the CSG industries remains a fascinating one, as the industry has been largely ‘backing down’ from its exploration activities in the State. The exact reasons for the cancellation of these projects remains unknown, but opposition in many local communities seems to have weakened the power of the CSG industry in NSW. In the next section, I will outline the legislative and regulatory requirement for CSG in NSW. Despite the importance of the above context, government representatives were not interviewed for my case study, and this would certainly be worth pursuing in future studies. In part, this was because of limited time and resources. However, more importantly, this thesis focusses largely on what happened in Gloucester, and particularly on the activity of AGL and the various interest groups, together with the role of the media in relation to the interaction between these interest groups.

3.8 The Legal Framework Pertaining to Coal Seam Gas

Cronshaw and Grafton (2016c, p. 296) have described the legislation in NSW that governs CSG as “rather general” in nature, but it includes: The Petroleum Onshore Act 1991; the Protection of the Environment Operations Act 1997; the Water Management Act 2000; the Environmental Planning and Assessment Act 1979; the Threatened Species Conservation Act 1995; and the Heritage Act 1997 (Gasfield Free Northern Rivers, 2014, Cronshaw and Grafton, 2016c). It is the Federal Government which administers “regulatory controls” under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 and the National Greenhouse and Energy Reporting Act 2007 (Gasfield Free Northern Rivers, 2014). Whilst the NSW Department of Planning and Environment claim that CSG regulation in NSW implements the “toughest control(s) within Australia” there are many who argue that the current controls are insufficient (Gasfield Free Northern Rivers, 2014).

As well as the legislation listed above, many regulatory and government bodies assist in the regulation of CSG in NSW. Whilst the key body authorising development applications for CSG projects was the Office of CSG (OCSG) (located in the Department of Industry, Skills and Regional Development), that responsibility has since been transferred to the Division of Resources and Geoscience (in the Department of Planning and Environment (DP&E)). The DP&E assesses “development applications for major gas projects, deliver(y) the Strategic Regional Land use Policy, establishing gas exclusion zones and resourcing the Mining and Petroleum Gateway panel” (EPA, 2017b). The Department of Primary Industries and Water also plays a key role in overseeing “the overall management of surface and groundwater in NSW and the Land and Water Commissioner under the Water Act Management Act 2000.” Changes to the Water Management Amendment Act have also been implemented to provide the Minister with greater flexibility with granting and approving water licences (EPA, 2017b).

The Environmental Protection Authority (EPA) has been the State’s lead regulator since July 2015, following recommendations set out in the NSW Chief Scientist’s Report, and the aim is to deal with the overlapping responsibilities described above (see Figure 5) (O’Kane, 2014). The responsibilities and the role of the EPA are outlined in the State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007, which was updated in 2014. As stated on the EPA website, “The Division of Resources and Energy (DRE) and the

Department of Planning and Environment (DPE)” continues to be “responsible for determining gas applications and issuing conditions of consent” (EPA, 2017a). It is the responsibility of the EPA to investigate non-compliance matters, as stated in their *Environment Protection Authority Compliance Policy* (EPA, 2013). However, as discussed in the previous paragraph, the EPA does not approve CSG development applications or licencing.

Whilst State Governments are largely responsible for licencing, regulating and overseeing the mining and CSG industry within their jurisdictions, water is one area in which the Federal Government does have some powers given its responsibility for enforcing international treaties related to this concern. Water-related issues have also been a contentious and noisy area in the debate surrounding CSG and particularly in relation to recent attempts to streamline assessments of the ‘water trigger’ under the Federal Environment Protection and Biodiversity Conservation Act 1999 (the EPBC Act). The EPBC Act is important because it requires that all projects with a “significant impact” undergo an environmental assessment, which involves gaining approval from the Federal Environment Minister (Priest, 2014).

There are nine matters of “national environmental significance” (NES), including the ‘water trigger’, that are protected under the EPBC Act. The water trigger was created to allow “the impacts of proposed CSG gas and large coal mining developments on water resources to be comprehensively assessed at national level” (DEE, 2016). However, the Coalition Government had been promising to streamline Federal and State legislation affecting CSG operations as part of the EPBC Act since 2013. As such, the current Coalition Government moved to streamline the ‘water trigger’ by allowing State Governments to administer Federal legislation (McHugh, 2014). This move was defended by the Federal Government on the grounds that streamlining duplicate legislation and handing power to the State Governments would improve efficiency and allow a ‘one-stop shop’ for regulatory approvals. As Senator Canavan, the Federal Minister for Resources and Northern Australia, stated: “If you take the word of both levels of government, we will want to see development of the north and Cape York and we can’t let red tape stop people developing the land and creating jobs” (McKenna, 2016)

However, there have been ongoing complaints about the ineffectiveness of the EPBC Act, such as duplications that existed within state legislation. Further, it is also said to be timely and costly to allow for mining projects to go ahead (White, 2015).

Although the NSW and Queensland Governments, alongside the mining industry, were happy about this amendment, environmentalists and interest groups are concerned about its potential ramifications. They argued that this change would “diminish the federal environment minister portfolio” and allow State Governments to “gain much more from state developments, mining and forestry – vested with assessment and approval powers over matters of national significance” (New Matilda, 2015). This would involve less transparency and further room for corruption (McHugh, 2014). However, mining companies claim that the amendment makes no difference as States still must abide by the legislation, and the water trigger remains the same (McHugh, 2014). As such, the debate on this issue is a prime example of where key interests, such as environmental and social concerns, collide with mining and Government interests.

3.9 Conclusion

This Chapter has discussed the evolution of CSG in the US, Australia and NSW. The backlash against CSG in NSW has been particularly strong, as the Government has been forced to respond to public pressure and the rise of interest groups. As we have seen in this Chapter, these pressures have led the Government to commission a review of CSG, resulting in the NSW Chief Scientist’s Report, the NSW Gas Plan, Strategic Regional Land Use Policies and licence buybacks. However, many interest groups remain largely dissatisfied, and this was clear in the 2015 Election Campaign. Finally, I outlined the key Commonwealth and NSW legislation related to CSG operations and the importance of the water trigger more generally. The next Chapter will identify the key issues and concerns that have been raised in relation to the CSG controversy. As such, it will also provide a foundation for understanding the key concerns of residents in relation to my case study of the GGP.

CHAPTER 4

KEY ARGUMENTS FOR AND AGAINST COAL SEAM GAS: A FOCUS ON NSW

4.1 Introduction

The CSG debate in NSW has not been short of controversy, despite the industry being less developed in NSW than in Queensland. The debate has been incredibly noisy and has divided communities across the state. This Chapter will outline the key arguments in support and against CSG. I begin by addressing the arguments in support of CSG, including the belief among pro-GGP advocates that communities in NSW need large industries, such as mining industries, to generate economic growth and jobs in rural communities. However, as the discussion will show, those opposing the industry argue that this vision is short-term and unsustainable whilst the industry and its economic benefits have been widely contested. Subsequently, I address the concerns about CSG, particularly: unfair land access agreements; a fear of water contamination and water loss; environmental degradation; climate change; and a lack of quality community consultation. These concerns and others have provoked a wide-ranging debate over CSG and its putative merits. The remainder of this Chapter explores these issues at further length with particular reference to how the debate has evolved in Australia and NSW.

4.2 Economic Growth and Energy Security

The CSG industry in Australia is seen as having enormous potential to supply cost effective energy to Australians, whilst also significantly boosting the Australian economy (Cronshaw and Grafton, 2016a, p. 255). Some of these benefits include, increasing State and Federal tax revenues, creating an export market for gas and increasing employment levels and household incomes in cubic metre locations (Cronshaw and Grafton, 2016a, p. 255). It has been argued by those who support the CSG industry that it will provide economic growth and jobs, while addressing rural decline, as many young people leave rural towns to look for opportunities elsewhere. However, these benefits have been questioned as having only short-term advantages and hold a ‘double edged sword’, failing to counteract the social and environmental consequences (Lloyd et al., 2013, p. 145, ABC, 2014a).

Many complain about a ‘three speed economy’ during Australia’s mining-led export boom. The mining industry in Australia grew 85 percent between 2005 and 2011, as Australia’s GDP grew 41 percent and exports grew 100 percent (Corden, 2012, p.290). Overall, the Australian economy grew by 39 percent, creating what Corden (2012, p.290) terms a two-speed economy. However, others have seen the development of a ‘three speed economy’; sometimes called the Dutch disease. Here, high exchange rates lead to a decrease in competition between importers, having adverse consequences for other industries. In this vein, Western Australia, NSW and Queensland enjoyed the positive effects of the boom, whilst other states and industries suffer due to the high Australian dollar.

Australia has a comparative advantage in mining, which has always been prioritised, as the Government pushes for a high-speed sector, over low speed sectors, in the economy. This is identified by some economists as being risky business that makes Australia particularly vulnerable to an economic crisis (Cleary, 2011, p. 27). Overall, Australia’s history shows that the mining industry experiences cycles of boom and bust, and, thus, the economic benefits cannot be guaranteed long-term (Randall, 2014, p. 157). Consequently, many anti-CSG groups in NSW argue that the economic benefits are unsustainable and fail to outweigh the social and environmental affects and risks resulting from the industry.

The economic benefits that CSG provides have also been contested. For example, a report conducted for the Australian Council of Environmental Deans and Directors (Williams et al., 2012, p. 30) raised concerns about the inconsistent evidence in the *NSW Parliamentary Inquiry into Coal Seam Gas Report* in relation to CSG and its economic benefits. Considerable literature and data contends that the industry could bring “thousands of dollars” to NSW and an abundance of jobs, but opponents claim that this has been “overstated” (Williams et al., 2012, p. 56). Certainly, there are a variety of perspectives on the economic benefits that the industry can bring.

Interestingly, (Measham and Fleming (2014), p. 376) conducted a study on the impacts of unconventional gas industries on rural decline within communities. They concluded that “CSG regions had a higher proportion of youth with university degrees and advanced technology

compared to other rural regions” (Measham and Fleming, 2014, p. 376). Further, CSG regions had lower poverty rates and there was a particularly significant rise in the female youth population. Overall, they conclude that CSG has contributed to a net reduction in rural decline (Measham and Fleming, 2014, p. 384). Despite ongoing concerns about the impacts of CSG on the environment and society, Measham and Fleming (2014) argue that CSG delivers a net economic benefit to communities by stimulating economic growth, creating jobs and reducing rural decline.

Supporters of the CSG industry have argued that it has the potential to provide a cheaper fuel source and improve the nation’s energy security; however, this too has been questioned. The Commonwealth and State Government, alongside gas companies and the lobby group, the Australian Petroleum and Exploration Association (APEA), have argued at various times that NSW was on the verge of suffering a gas shortage (Denniss, 2014). For example, the former Industry Minister, Ian Macfarlane, argued that NSW was going to run out of gas by 2016, leading to rising energy costs (ABC, 2013). Indeed, in March 2017, the Federal Government also referred to the risk of an emerging ‘gas crisis’ in Australia (Bickers, 2017). Quoting from the Australian Energy Market Report (AEMP), the Government claimed that there was a shortage of gas production in Australia which was having a knock-on effect in pushing-up energy prices for Australian residents (AEMO, 2017). The Federal and State Governments, alongside a prominent national newspaper, *The Australian*, claimed that “Australians are exposed to gas shortages so great they could halt power to 100 regional cities over the course of a year.” The Government suggested that this would lead to rising household power prices, which could be averted by NSW investing in expanding its gas producing industry (Crowe, 2017).

The utilities and mining company, AGL Energy, has also argued that there was a threat that NSW was going to run out of gas. In a paper, *Solving for ‘x’ – the NSW Gas Supply Cliff*, AGL’s Chief Economist, Professor Paul Simshauser, and Head of Economic Policy and Sustainability, Tim Nelson, argued that: “NSW could experience up to 21 days of gas supply shortages from winter 2016, causing significant disruption to the NSW manufacturing industry...” (AGL Energy, 2014b). However, it is important to note here that this paper was

written prior to 2015, when Andrew Vesey took over as the company's CEO; a point that I will revisit in Chapters 8 and 9.

Nevertheless, AGL's claim of an impending energy crisis can be questioned on a number of grounds. Firstly, NSW has historically received much of its gas from other States, with 95 percent of its gas imported in 2009-2010 (ABC, 2013). In this context, the Federal Bureau of Resources and Energy explained to the ABC that NSW would not run out of gas by 2016 as "Historically, NSW has not been a significant gas producer" (ABC, 2013). Secondly, it has been argued that increases in gas prices have not been caused by a lack of gas supply in NSW. For example, Richard Denniss, Chief Economist at the Australian Institute, a progressive Australian think tank, explained that "because the world price of gas is much higher than the Australian domestic price, the gas industry would prefer to sell to foreigners than keep selling it to Australians" (Denniss, 2014). He further explained that "previously they had no way of exporting Australian gas" from the East Coast. However, with the completion of the LNG processing plant on Curtis Island (see Chapter 3), this gas can now be exported for a much higher price on the international market. He emphasised that these plants were "part of (the companies') plan to expand production and increase prices", which is "something they have been telling shareholders for years" (Denniss, 2014). This is an example of the Government's manipulation of volitions, which I will return to in Chapters 7-9.

Denniss's thesis is also supported by Ong (2017) who has argued that the 'gas crisis' has been caused by the CSG industry entering into contracts to export large quantities of gas. The net effect of these contracts is that they have "tripled the demand of gas" with the effect that many companies have been "struggling to keep up" (Ong, 2017). In the same vein, Alan Pears, Senior Industry Fellow from the Royal Melbourne Institute of Technology (RMIT), has emphasised that convincing the public that there is a gas crisis "would involve (the public) falling into the trap set by the gas industry, to force Governments to override community opposition to CSG projects". He further suggests that "this would be socially divisive and is unnecessary" (Pears, 2016).

Similarly, Grudnoff (2014, p. vii) from The Australia Institute has expanded on this idea, arguing that “Blaming restrictions on CSG for coming price rises is a clever tactic” which is “designed to turn public support against those restrictions and increase pressure for them to be removed”. Nonetheless, he emphasises that the claims of gas shortages “are little more than posturing and bear no resemblance to what is actually happening in the market” (Grudnoff, 2014, p. vii). This again supports Lindblom’s argument that business can exert ideological hegemony, with the Government and business convincing the public that investing further in CSG is in the public interest (Lindblom, 1977, pp. 202-203).

More recently, however, the Australian Competition and Consumer Commission (ACCC) have argued that the ‘gas crisis’ was caused not only by recent export agreements, but also by the fall of oil prices and “regulatory uncertainty” (Davies et al., 2015). The AEMP argued that the Government and industry needed to allow for an increase in gas production to keep up with demand, but this was being restricted by “Governments prohibiting onshore gas development with bans or moratoriums on fracking” (Harmsen, 2017). However, they continued, “without the development of new gas fields, the domestic situation will move from merely tight to shortfall from around 2020 onwards” (Letts, 2016).

At the same time, with the more recent drop in the international price of gas between 2015 and 2016 (see Chapter 10 for further detail), some have also argued that companies have been being less willing to invest in new projects (Wallace, 2015, p. 28). For example, Jencho (2017) explains that, in 2014, it was believed “the Japanese LNG prices would pull up our gas prices”. However, instead, Japanese prices for LNG have fallen “so low that there is talk of importing Australian LNG for domestic use”. It is claimed that Australia has enough gas to provide three times the amount being currently exported, yet AEMO have made it clear that the “cost of sourcing new gas supply means additional gas in the market may not translate to lower prices” (Jencho, 2017).

In conclusion, concerns about energy security and economic growth have been important features in the debate surround CSG, which is one in which economic growth and jobs is often

pitted against environmental, health and social issues. This is reflected in the following quote taken from a national tabloid newspaper, *The Daily Telegraph*:

Left wing pressure groups are closing Australia to business.... a blow to the economic wellbeing of the nations and future generations.... no one ever accused the Green Lobby of being either smart or putting the interests of the nation before its international agenda to end fossil fuel consumption.... the activists as usual rely heavily on hysteria generated by the anti-fracking lobby in the US and falsehoods peddling in emotional pseudo docs. (Akerman, 2016)

Others have also argued that the Government and industry are attempting to convince the public that what is good for business is good for the general population in what Lindblom would have termed the manipulation of volitions. However, whilst economic and energy security questions are important, various environmental and social concerns have also been prominent in the debate. I now turn to address these starting with the question of land access and compensation.

4.3 Land Access

In Australia, it is claimed that disputes over land access and compensation have been the cause of “scenes of confusion, conflict, and sometimes, chaos” (Crikey, 2012). This largely stems from the fact that minerals and natural resources have been owned by ‘the Crown’ since the creation of ‘public lands’ in the early 1900s. State Governments “allocate exploration permits non-competitively and for nominal fees”, which allows the permit holder the right to claim any minerals found; “a finders keepers regime” (Randall, 2014, p. 153). As such, landowners do not have the right to veto mining exploration, or extraction on their property (Cronshaw and Grafton, 2016c, p. 296). Further, the law on sub-surface land rights means that any compensation provided to landholders depends on the State Government’s willingness to provide the necessary regulatory oversight to provide compensation (Randall, 2014, p. 153). In effect, landowners have little influence over the exploration and extraction of CSG on their properties.

This has led Galloway, and others, to argue that the “CSG conflict between the private property interests of ‘landowners and miners reveals the inadequacy of property law to conceptualise what is at stake, other than in terms of pure economic interests” (Galloway, 2012, pp. 80-81). She further explains that “the terms need to cast according to true sustainability rather than in terms of developing a petroleum industry” (Galloway, 2012, p. 81). This is a concern that has

also been raised by many politicians, farmers and environmentalists across the country (Sherval and Hardiman, 2014, Randall, 2014). Critics contend that mining companies have a property rights advantage over property owners with some even suggesting that Governments favour this “historical legacy” due to the tax revenues that they generate from it (Randall, 2014, p. 154).

As discussed in Chapter 3, the NSW Government has attempted to respond to these concerns about land access by creating Strategic Regional Land Use Policy (SRLUP) Plans for the Upper Hunter and New England North West (Wearing et al., 2014, p. 50, Sherval and Graham, 2013, p. 176). This initiative resulted from the perceived failure of the previous system to balance social and environmental concerns with questions of land access (Sherval and Graham, 2013, p. 176). As stated by the Government department responsible for the policy, the SRLUP was created to protect “the States most valuable land, as well as critical water sources which supply it” (NSW Department of Planning and Infrastructure cited in Sherval and Graham, 2013); and, in doing so, to “provide greater clarity and certainty for existing approved CSG activities, and to continue to safeguard residents from additional CSG activity” (DPE, 2014d). These measures are enforced by the State Environmental Planning Policy (Mining Petroleum and Production and Extractive Industries) 2007, and the Environmental, Planning and Assessment Regulation 2000, with supporting policies that include the Aquifer Interference Policy and the Codes of Practice for Coal Seam Gas on Fracture Stimulation Activities and Well Integrity (DI, 2012a, DI, 2012b).

Under the SRLUP, land that is considered to be Strategic Agricultural Land (SAL) is divided into two parts: Biophysical Agricultural Land (BSAL), that is largely productive land; or Critical Industry Clusters, that are located in areas of high agricultural production (Sherval and Graham, 2013, p. 176, Hepburn, 2015, p. 381). Both of these criteria would lead to a Gateway Process which is an “assessment by an upfront and independent panel of experts” who scientifically assess the “impacts on SAL and water” regarding CSG activities. This panel involves three scientific experts who act on the advice of the Federal Governments Independent Expert Scientific Committee on CSG and Large Mining Developments (DPE, 2017a). The NSW Minister for Primary Industries also contributes to this process, particularly regarding water resources, as outlined in the Aquifer Interference Policy (DPE, 2017a). This process

takes place before a Development Application for CSG exploration can be submitted. However, interestingly, the Gateway Panel is not able to refuse an application for a Gateway Certificate, but can only provide a certificate that is either ‘unconditional’ or ‘subject to conditions’ (Westra and Vilela, 2014, p. 135). The five steps in the Gateway Process are:

1. The submission of a Planning Proposal by “the relevant authority” such as a local council;
2. The ‘Gateway’, which involves “the Minister (or delegate) [who] decides whether the planning proposal can proceed (with or without variation)”;
3. Community consultation, which is publicly exhibited by the Minister;
4. Assessment, by the expert panel; and
5. the development of a Local Environmental Plan, which is then approved by the Minister or their delegate and published on the NSW government’s website (DPE, 2017a).

The Gateway Process also only applies to State Significant Development (SSD) projects. This means that the Government has identified that this land is needed either for “educational establishments”; “mining and extraction operations”; “tourism”; or for other facilities such as energy (DPE, 2017b). Proposals for a SSD must recognise that the development: “is over a certain size”; “is located in a sensitive environmental area”; and “will exceed a specific capital investment”(DPE, 2017b). This criteria has brought controversy, as many critics argue that non-SSD land is not adequately protected. The policy has also been seen “as an attempt to depoliticise the issues of the state and provide a reductionist and one off solution” (Owens, 2012 cited in Dellapenna, 2014, p. 135). As such, there has been extensive criticism of the SRLUP by those who have argued that the Government has been unable to balance the cultural, environmental and social aspects of the policy with the goal of economic growth, particularly with respect to the “physical and cultural connections [that exist] between communities” (Sherval and Graham, 2013, p. 176).

NSW Farmers have been one particularly vocal critic in this respect and have, at various times, raised their concerns for stronger protections, including “changes made to the Mining Act and the Onshore Petroleum Act to reflect industry practices” (Denman, 2012). Further, they have argued that the Aquifer Interference Policy is only a policy, not a regulation, set up to “guide the Minister” (Denman, 2012). Here, many critics also contend that the precautionary principle

is ignored, as areas where exploration and extraction take place include “complex geological and hydrological process”, which are not totally understood; thus, critics, such as Sherval and Graham (2013), have called for further studies on the impact of CSG on the land, environment and water (Sherval and Graham, 2013, p. 178):

... in reality the State Government has continued to make it relatively easy for CSG companies and the like to explore for and develop gas projects, rather than actually seeking a ‘balanced land use’ as it has claimed in its ‘aim’ in both its Upper Hunter Strategic Land Use Policy (Sherval and Hardiman, 2014, p. 199).

Critics have also argued that the power exercised by CSG companies is evident in the Principles of Land Access (PLA), which was signed in 2014 at NSW Parliament House between AGL, Santos, NSW Farmers, Cotton Australia and the NSW Irrigators Council (NSW Farmers, 2014a). In this agreement, both Santos and AGL agreed not to enforce arbitration or enforce land access for CSG activities such that access to land would be entered into on a voluntary basis with the landowner concerned (Herbert, 2014). However, as stated by a farmer from the Liverpool Plains, AGL and Santos claim that they will not force access to drill for CSG, however this “does nothing for farmers who are likely to face forced access for pipelines, gas compressor stations and infrastructure... it refers only to gas drilling” (Herbert, 2014). Nevertheless, groups such as NSW Farmers, Cotton Australia, Dairy Connect Farmers and the Children’s Women Association welcomed the announcement and have viewed it as a significant step to achieving transparency, trust and respect for landholders (The Singleton Argus, 2014, The Land, 2014). In contrast, many farmers and environmental stakeholder groups still felt that PLA was not by itself enough to compensate for the damage of CSG activities.

In November, 2015, the PLA was accompanied by the *Landholder benchmark compensation rates: Gas exploration and production* (IPART, 2015b). Published by the Independent Pricing and Regulatory Tribunal (IPART) and based on recommendations contained in an Issue Paper six months earlier (IPART, 2015c), the Report contained recommended benchmark rates and advice for NSW landowners who are “negotiating land access and compensation” (IPART, 2015a). This included seven key recommendations and a spreadsheet to help landholders to calculate the appropriate level of compensation if they are approached by a company wanting to conduct mining activities on their land. This compensation is intended to cover losses on the

value of their land caused by disturbance and noise, dust and further impacts (ABC, 2015b). The Report also advises on legislative changes to broaden “the provisions to cover all relevant impacts” for landholders (Herbert, 2015) and suggested that a “voluntary and non-identifying” public register of CSG compensation payments be created (Herbert, 2015).

Although this compensation is not mandatory, failure to act would arguably mean that these companies would gain a bad reputation thus causing damage to their brand, so it is in their interests to be seen to be providing the best form of compensation. Nonetheless, this issue remains enormously divisive and, despite the amount of compensation that is being provided to individuals and communities, there are always going to be groups that oppose the existence of CSG on their land and within their communities. So, whilst NSW Farmers welcomed the IPART’s Report, many saw it as inadequate. As Groundswell Gloucester member, Julie Lyford, argued: “No compensation is worth anything when you’ve lost what’s most valuable – food, productive land, clean water and clean air” (Herbert, 2015).

In conclusion, some common themes begin to emerge around the arguments deployed by those who support and those who oppose CSG development. For the CSG industry and many farmers, the Government is taking appropriate action to protect the land, respect landholder rights and provide frameworks for determining an appropriate level of compensation for land that is used for mining. In contrast, opposing groups feel that legislation infringes their rights and livelihoods and that their treatment by CSG companies has been aggressive and unsympathetic. Despite the landholder access issues discussed here, many stakeholder groups who oppose CSG operations in their communities feel that its existence can never be justified. In their view, the precautionary principle must be used to protect the land and the water for future generations, which CSG companies cannot guarantee. The next section considers another related issue in this debate concerning water aquifers and the contamination of waterways.

4.4 Water Loss and Contamination

One of the biggest concerns regarding CSG is water loss and contamination. To extract CSG, a large amount of water is usually required. More commonly, in Australia, during methods of fracking, mixtures of water, chemicals and sand are used to pump pressure into coal seams, which creates a force that causes the gas to be released (Ahmed and Meehan, 2016). With few studies undertaken on the impacts of the use of groundwater, and insignificant understanding of the geologies and hydrology of these complex areas, many have argued that the potentially irreversible risks of damage to groundwater systems outweighs the advantages that might be gained from CSG (Davies et al., 2015, p. 10982). Indeed, Paul Cleary has argued that: “the potentially damaging effects of CSG projects on groundwater may take decades to show up” (Cleary, 2011, p. 83).

It is not only the method used to release the water that is concerning, but also the amount of water that is required by the fracking process. In 2011, it was found that approximately 15-20 gigalitres of water were removed from aquifers to enable the extraction of CSG (Australian Petroleum Production and Exploration Association, 2015; Carlisle, 2012 cited in Morgan et al., 2016, p. 22). It has also been argued that issues can emerge from the flowback water, or waste water, produced during this extraction process; in other words, from the water that is brought to the surface from the hydraulic fracturing process and after the methane gas has been released (Davies et al., 2015, p. 10181). Additionally, CSG local and regional water contamination has been associated with minor seismic events, the pollution of drinking water and the pollution of agricultural water supplies caused by hydraulic fracturing operations and surface spills (Cronshaw and Grafton, 2016b, p. 96). However, all of these concerns, their associated risks and impacts are highly contested issues.

Considering the above concerns, the NSW Government has claimed that it has taken the appropriate actions to prevent the contamination of water. The Government’s Aquifer Interference Policy is said to “protect aquifers and groundwater from CSG activity” (DPE, 2012a). Further, CSG activity that uses “more than three mega litres (1.2 Olympic size swimming pools) of water per year must hold a water licence from the NSW Office of Water” (DPE, 2012a). The Well Integrity Code also sets various “mandatory standards, monitoring and maintenance” requirements, including “safe and environmentally sound measures” to

avoid contamination and leakages” (DPE, 2012c). The Government has also argued that the necessary steps have been taken in its Fracture Stimulation Activities Code, which has included a ban on the use of BTEX chemicals, and further controls such as regular testing by a certified laboratory to ensure that all drinking water meets the necessary minimum standards (DPE, 2012b).

Despite these policies being considered by the Government as best practice, research on water use in CSG sites has continued to question: the likely risks; whether the appropriate measures are being taken to avoid risks; and the validity of the research conducted to date. In examining the risks to water, Davies et al. (2015, p. 10981) have expressed concern with the “limited independent research on the potential environmental impacts of produced water”. Although some studies indicate that the risks can be carefully and successfully managed, other studies have also pointed to the dangers of contamination caused by faulty wells and potential spills during surface operations (Davies et al., 2015, pp. 10989 - 10990). Others still have pointed to the lack of peer-reviewed research and monitoring programs (Davies et al., 2015, p. 10996). Thus, Davies et al. (2015, p. 10996) conclude that there remain “unresolved questions” about the risks associated with managing water contamination that need to be addressed”.

In conclusion, water and water contamination caused by CSG exploration has been a core debate. For example, particular concerns have been expressed in Northern NSW about the CSG industry using unsustainable practices in the management of water. Here, it is feared that the distribution of water allocations is environmentally damaging with claims that water allocations for farming have been reduced to allow for CSG operations (Tan et al., 2012, p. 86). However, this also reflects international concerns such as those present in the US where Jackson et al. (2013) have found “gaps in knowledge“, which “are harmful to the state’s development of natural gas resources and protection of groundwater...” (Jackson et al., 2013, p. 506). In this, as with other areas, opponents of CSG development, as well as many scholars, have argued that the precautionary principle is not being applied with the risk of potentially irreversible environmental damage caused by the contamination of waterways and the damage to surrounding ecosystems that this would cause (Sphrohge et al., 2012, p. 93, Manning, 2012, p. 163, Tan et al., 2012, p. 86). However, alongside these concerns, claims that CSG is a ‘clean

fossil fuel; that can help address the risks associated with climate change have also been contested. It is to these issues that I now turn.

4.5 Climate Change

CSG was originally promoted as ‘green’ alternative to coal; however, in a world moving towards renewables, this view has been challenged (Jackson, 2009, p. 11). Put simply, climate change is caused by “the accumulation of gases in the atmosphere – accelerated by human activities – especially the burning of fossil fuels” (Jackson, 2009, p. 11). Although CSG is said to produce less carbon dioxide emissions than its counterparts, many have argued that it is far from being a green fuel alternative. Indeed, Tim Forcey, a specialist researcher at the University of Melbourne, claims that CSG “is a powerful greenhouse gas”, which is “up to 80 times more powerful than carbon dioxide” (Forcey cited in Long, 2017) although that in itself is not an uncontested claim. In addition, concerns have been raised about leaks from gas wells and the considerable damage to ecosystems caused by escaping methane emissions. However, as a recent Commonwealth Scientific and Industrial Research Organisation (CSIRO) report noted: “there are no public data on methane emissions from CSG well completions specific to Australian operations” (Day et al., 2017). The report also noted that most studies have been conducted at particular sites, and not across different gas fields.

Others have argued that long term effects, such as climate change, are not felt directly, so they are less likely to be considered as important when compared with local issues, such as water use and changing property values (Cronshaw and Grafton, 2016b, p. 98). Whilst Australia is a signatory to the United Nations Paris agreement, it has only adopted “a modest target” to reduce emissions by 2020 (Wijesekere and Syed, 2016, p. 279). As the Department of Environment states, this means reducing emissions “to 26-28 percent on 2005 level by 2030” (DEE, 2015). The Australian Government’s response is highly unlikely to deliver on the Paris Agreements aim to create a “strong long-term global ambition of limiting global warming by less than two degree” through “nationally determined yet internationally agreed” processes (Research and Exchanges, 2016, p. 263). Against the backdrop, it is unsurprising that environmentalists, politicians and local communities across the country have been extremely concerned. (Dr Frank Jotzo cited in Mark, 2016) Environmental and lobby groups which oppose the use of fossil fuels have suggested that much of the problem lies in the liberal, capitalist system, that emphasises

endless growth and treats fossil fuels as limitless (Evans and Phelan, 2016, p. 229). This led Professor Mann of Pennsylvania State University to argue that “no amount of facts or evidence is going to change their views because fundamentally it comes from ideology” (Hannam, 2017). All this means that global warming remains a contested issue, even if the science overwhelmingly confirms it (Connor, 2016, p. 76). Government attitudes towards climate change will be further discussed in Chapter 9, when the focus is upon first, funding cuts and, second, how a discourse around the existence of a gas crisis was used as a justification for CSG projects.

In conclusion, it has been argued that the use of CSG as an alternative to conventional fossil fuels in the context of concerns about climate change is a highly contested issue. Cook (2016) represents one side of this debate in his argument that, “The fossil fuel industry has played a hugely damaging role in promoting misinformation about climate change” by endorsing CSG as a ‘clean’ and ‘green’ energy source. Moreover, despite ongoing concerns about the anthropogenic consequences of climate change, there is disagreement, even within the Australian Government, concerning the science of human induced climate change (Schernikau, 2017, p. 229). As suggested above, some have argued that this reflects ideologically driven views where neoliberal beliefs have been promoted as the ‘best’ alternative for both business and society generally (MacKinnon and Cumbers, 2014, p. 106). If this were the case, then it could give weight to Lindblom’s idea about the ideological hegemony of business. However, given that CSG is becoming an increasingly noisy topic, with many interest groups opposing it, then this may also be viewed as support for Vogel’s idea that business power is more limited than Lindblom and Culpepper suggest. This is an idea that will be further explored in Chapter 9. For now, I turn my attention to the issue of community consultation and trust as another commonly discussed factor in the debate about CSG. Here, CSG companies and the Government have argued that appropriate consultation involving all relevant stakeholder groups does occur, while many environmentalists and communities have argued that their views and perspectives continue to be ignored.

4.6 Community Consultation and Trust

The importance of meaningful community consultation processes has been widely recognised but the meaningfulness of these processes and their impact is a highly contested issue within

the broader debate about CSG. In discussing and demonstrating the importance of stakeholder participation, Reed (2008, p. 2417) has argued that ‘local scientific information’ is vital to an effective decision-making process. Arguing that stakeholder participation should be ‘institutionalised’, (Reed, 2008, p. 2425) suggests that this is best achieved by bringing together both scientific and local knowledge to enable the most informed decisions to be made with regard to issues like CSG that have an environmental impact. If this does not occur then Taylor et al. (2013) have argued that a lack of consultation can undermine the level of trust in communities, which can, in turn, be detrimental for business success. As Taylor has argued:

Trust, or lack thereof, lies at the heart of much of the CSG debate and has the potential to thwart attempt to ease community concerns... There is evidence of a severe lack of trust from parts of the community in relation to the lack of proper data and evidence, beliefs and biased data and a distrust of proper regulation methods (and ‘keeping promises’), trust in the science, in the Government and politicians, trusts in the operations, and social trust (Taylor et al., 2013)

These conclusions have been supported by a recent CSIRO study, which found that the CSG industry had reached a ‘stalemate’ due to its failure to achieve a ‘social licence to operate’ (Snashall and Genter, 2017). The report argued that this stalemate stemmed from a lack of trust in the industry partly prompted by a scepticism towards the industry’s argument that CSG mining was required to alleviate an impending gas crisis in the state (Snashall and Genter, 2017).

Whilst some landholders and stakeholder groups have argued that the consultation processes that have been implemented have been effective and that environmental and lobbyist groups are only complaining and “kicking up a fuss”, many have also voiced concern and scepticism towards those same processes (Taylor et al., 2013, p. 15). For example, many stakeholder groups have argued that community consultation has had limited effect because Governments have prioritised the industry’s needs over their concerns, which have been given little, or, no consideration (Taylor et al., 2013, p. 15). Many company representatives have also been accused of failing to directly answer questions, address community concerns or be transparent about their operations in response to requests for information from the community (Lloyd et al., 2013, p. 146). Further, landholders and communities have complained that they have not been “efficiently notified of planned exploration” activities or that they have been given biased or unreliable information (Lloyd et al., 2013, p. 146). As such, it has been argued that communities have often been left feeling as though they haven’t been able to make appropriate

and informed decisions (Lloyd et al., 2013, p. 146). As such, Lloyd et.al. (2013, p. 146) have identified “inadequate community engagement” as the “primary governance problem” and reason why CSG has become such a controversial policy issue.

The lack of consultation surrounding the Gateway process (a key aspect of the Strategic Regional Land Use Policy that was discussed above) has also been used by community groups to support their argument as to the lack of effective and meaningful community engagement (NSW Government, n.d., Wakatama and Evans, 2016). This has been supported by the Australian Centre for Agriculture Law, based at Armidale University, which heavily criticised the Gateway Process for its failure to consider “local perspectives or the agricultural potential of a particular landscape”, thus providing “little comfort” to many local residents and their concerns about the CSG industry (Wakatama and Evans, 2016). Others, such as De Rijke (2013a, p. 22), have pointed to the way in which it has become easier for Governments to approve mining projects after 2013 when reforms were introduced to ‘streamline’ the application process for development approvals. De Rijke (2013a, p. 22) argues that this has further limited the opportunity for meaningful community consultation to occur under what he has described as an ideologically driven policy “based on minimal Government involvement” and “neoliberal governance models” (De Rijke, 2013a, pp. 22-23). Indeed, as discussed above, some researchers and community residents have viewed the lack of meaningful consultation processes as suspicious, leading to mistrust in this particular policy but also the Government and the industry more broadly (De Rijke, 2013a, p. 23). This has set the context within which a number of interest groups have formed in opposition to CSG.

4.7 Conclusion

This Chapter has reviewed some of the key areas of debate and controversy surrounding CSG developments with a particular focus on NSW and Australia. The arguments supporting CSG have largely focus upon its economic benefits and the flow on effects that this creates for rural jobs and in stemming the further decline of rural and regional communities. Nevertheless, the economic benefits derived from CSG is still a highly contested issue. By contrast, concerns about CSG have focussed on issues such as: land access rights; water contamination; the efficacy of CSG as a ‘transition fuel’ in addressing the risks associated with climate change; and the adequacy, or not, of community consultation. In the Chapter that follows, I will

introduce my case study of the GGP, providing details about the region, its industrial history, the rise of the tourist industry as a rival to the agricultural sector and how elderly migrants have reshaped the social and economic make-up of the town. Further detail will also be given on the history of the GGP from its initial exploration stage until AGL's decision to exit. Some of the key supporters and opponents to the development will also be introduced and discussed. The way in which the broader issues outlined in this Chapter have played out at a more local level will also be discussed. The Chapter will show how the GGP has caused major divisions within the town but one key factor about Gloucester has been the large number of 'tree-changers', incomers who are environmentalists and who have played a crucial role in the fight against the project.

CHAPTER 5

THE GLOUCESTER GAS PROJECT

5.1 Introduction

This Chapter will provide the context for my case study of the GGP. I begin with a brief history on the Gloucester region, including key facts about the town of Gloucester and its industrial development. Subsequently, the history of the GGP is outlined, including AGL's decision to pull out of the project in February 2016. I also briefly discuss the key interest groups on both sides of the debate. As such, this Chapter will provide further context for the discussion in Chapters 7-10.

5.2 The Gloucester Region

Gloucester is a small rural community in the state of NSW, Australia, which is situated 70 kilometres from the coast and 260 kilometres from Sydney. In 2016, it had a population of around 5,160 (Davies, 2016b, p. 49-50, Dayal and Mani, 2017). The town is located among five other villages that make up the broader Gloucester region (the previous Gloucester Shire), which include Barrington, Bundook, Copeland, Craven and Stratford. The Gloucester Shire local Government area merged with the Great Lakes and City of Taree Councils in 2016 to create the Mid-Coast Council (MidCoast Council NSW, 2017). Gloucester is well-known as a tourist destination, for both its lush mountains and pristine waterways. It is situated on the Gloucester River and next to the Barrington Tops, which has a World Heritage listing (Davies, 2016b, p. 50). Figure 9 is a map that shows the location of the town of Gloucester and the GGP in regional context (AGL Energy, 2015e).

Figure 9. Gloucester and the Gloucester Gas Project in Regional Context



Source: AGL, 2015f

Forestry was a key industry within Gloucester. However, due the closure of the timber mills, the town lost many jobs and a key source of employment in the region (Gibson and Connell, 2011, p. 64). This was later accompanied by the deregulation of the dairy industry, which contributed to half of all of the local dairy farms in the region ceasing operations by 2004

(Sherval and Hardiman, 2014, p. 188). As such, many of the resident farmers either became cattle farmers or moved away from the region, leading to further economic decline. More recently, the local Council, together with the community, have renovated the main street and established many local community events in an effort to create a stronger sense of community and place.

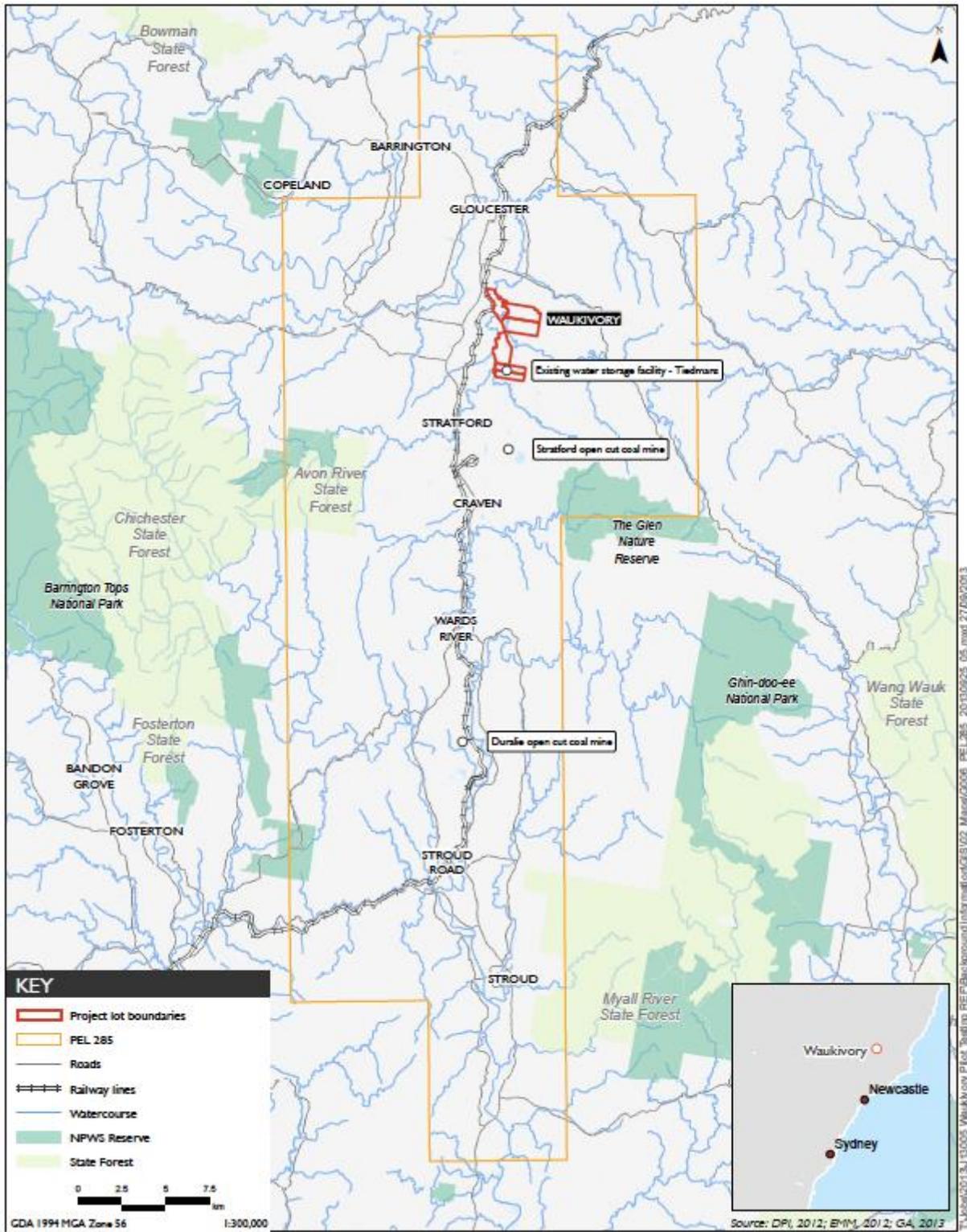
Gloucester has experienced migration by elderly city dwellers retiring to the region from the late-1990s onwards. These elderly migrants, also known locally as ‘treechangers’, were usually highly experienced, educated and financially secure. Their arrival has brought more financial capital into the town and driven a demand for new services in healthcare and related service sectors (Gibson and Connell, 2011, p. 64-65).

At the same time, some resident families have lived in Gloucester for as long as five generations. Their main fear has been a loss of their rural lifestyle, given the economic decline that has taken place, which has also been a key factor contributing to rising unemployment and lack of opportunity for young people in the region (Sherval and Hardiman, 2014, p. 185). It has also been reported that residents fear that their traditional rural networks have been broken down by the ‘treechangers’ who have moved into the area. As such, some have argued that the region has experienced something of an ‘identity crisis’ given the differences in values and belief systems that exist between the inward migrants and those residents who have had a long history of living in the region (Sherval and Hardiman, 2014, p. 185). This division has also been reflected in the different attitudes that these two groups have taken towards the GGP, which is the focus of the section that follows.

5.3 The Gloucester Gas Project

As discussed in the previous Chapter, the State Government must first grant a PEL before a company can undertake any mining or exploration activities in NSW. In 1991, the NSW Government created PEL285, which was a gas exploration licence that covered the Gloucester region (Inkpen and Moffett, 2011). In 1992, the licence was bought by Pacific Power only to be sold ten years later to AJ Lucas Group and Molopo Australia. It was some years after that, in 2008, that AGL bought the licence (Inkpen and Moffett, 2011). Importantly though, AGL then made the next move of seeking the regulatory approvals that it needed to undertake gas exploration activities. This was a crucial step because the previous companies had only owned the licence and the ‘right’ to explore for gas in the region; they had not taken the next step of securing the regulatory approvals that were needed to undertake gas exploration activities. In effect, the GGP or what also became known as the WPP, was born in 2008. Figure 10 shows the WPP and its location in relation to both PEL 285 and the wider Gloucester Region (Energy, 2015b).

Figure 10. Map of the Waukivory Pilot Project and Petroleum Export Licence 285



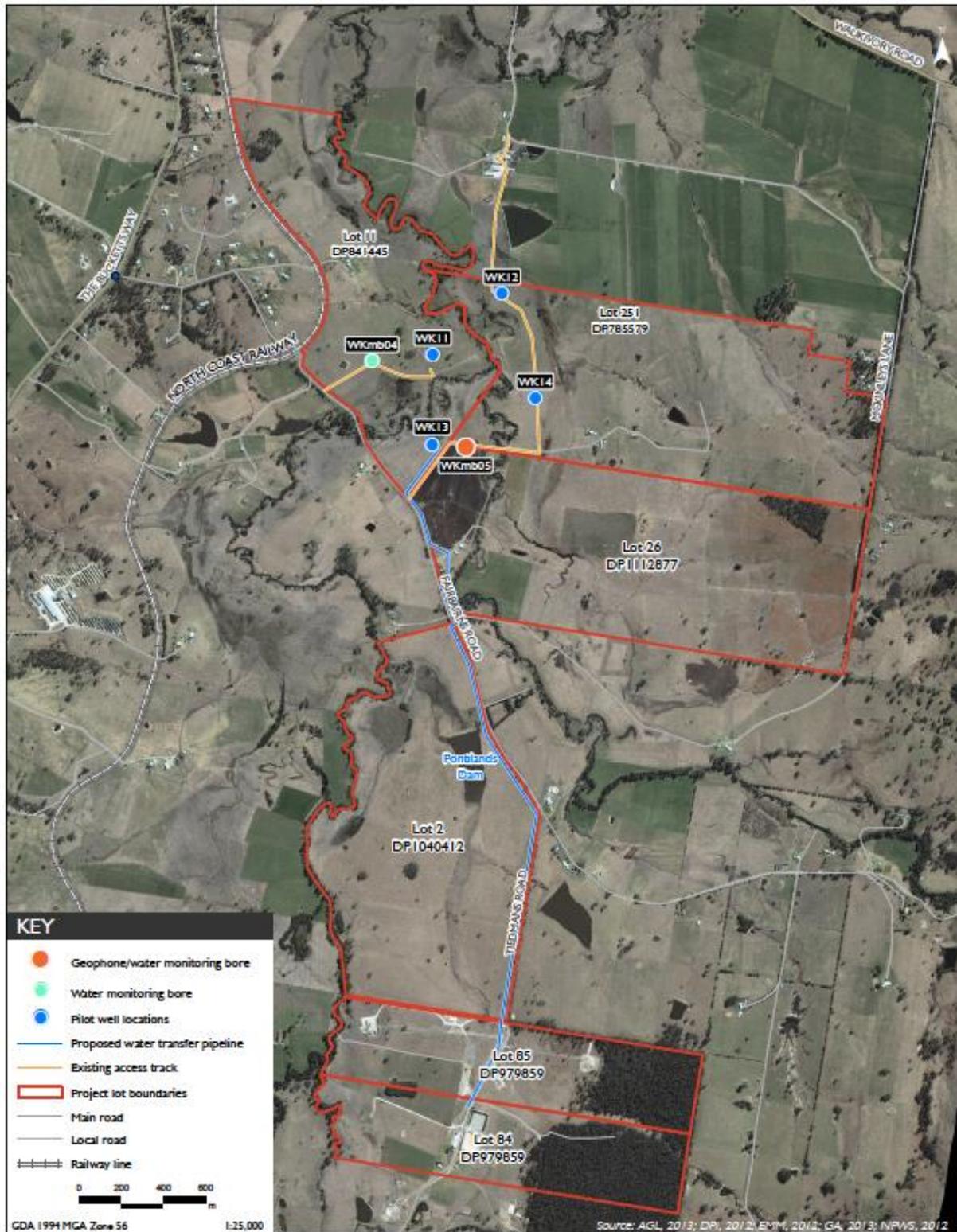
Source: AGL, 2015f

In March 2011, AGL secured the regulatory approvals that it required to undertake gas exploration activities in the Gloucester region; or, more specifically, the area covered by PEL285. Crucially, however, at this stage of the approvals process, the Government had granted AGL permission to explore for CSG but not to enter into full-scale commercial production. The process for full-scale commercial production requires a separate approvals process. As such, what was being approved was the concept plan and major development approval from the NSW Planning and Assessment Commission, following a four year application process (AGL Energy, 2011). This included approval for “extraction, processing, transport and delivery of CSG to the existing supply network (see below). The concept plan approvals included:

- staged development of gas extraction wells and associated infrastructure within approximately 210 square kilometre area of the Gloucester Basin;
- construction and operation of up to 110 gas extraction wells and associated infrastructure as the first stage of the gas extraction area;
- construction and operation of a central processing facility to compress and process the extracted gas ready for transport;
- and construction and operation of a gas delivery station at Hexham in Newcastle, to deliver gas to the exiting Sydney Newcastle gas pipeline (PAC, 2011, p. 1).

Thus, the Government’s decision to approve exploration for CSG on PEL285 was a very significant development. Figure 11 shows the four exploratory wells that were drilled as part of the WPP (AGL Energy, 2015e).

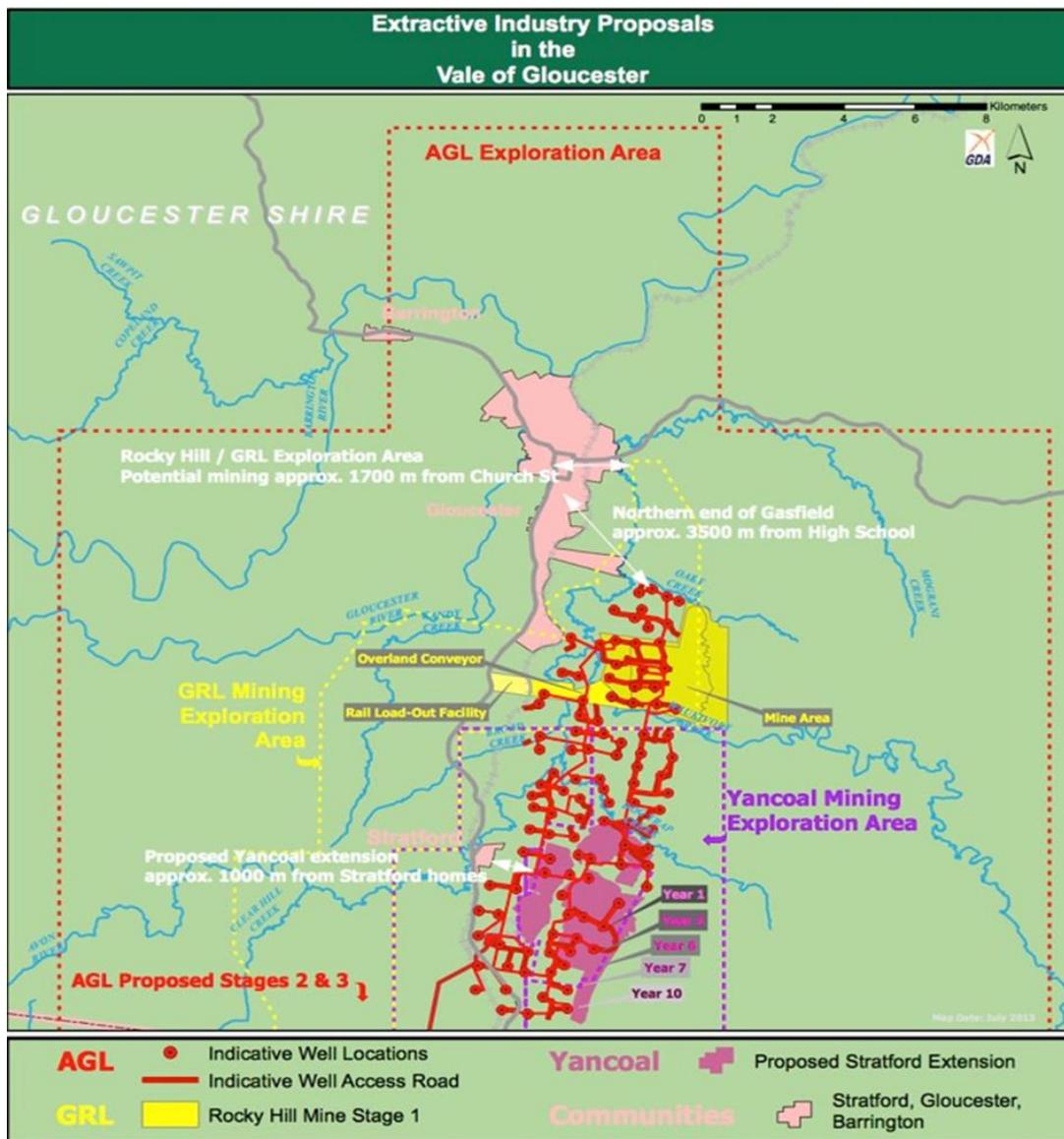
Figure 11. Well Locations for the Waukivory Pilot Project



Source: AGL Energy, 2015e

The approvals also gave AGL the opportunity to drill up to 110 wells. Figure 12 shows the exploration area covered by the GGP and the indicative location of these other wells that AGL has been given permission to drill as part of its exploration activities.

Figure 12. Localised Map of the Gloucester Gas Project beside other Mining and Community Locations



Source: Camp et al 2013

In order to provide further context to the events surrounding the GGP, Table 1 details several key moments from the lead up to the decision to approve the GGP through to AGL's decision to withdraw from the project in February 2016. The timeline places a particular focus on events pertaining to the GGP compared with the timeline provided in Appendix 1, which provides a more detailed account of other developments related to CSG over a longer time period both in Australia and NSW. The discussion that follows in the remainder of this section of the Chapter provides further detail and description of several of the more important events outlined in Table 1. In the roughly five-year period from the time that the approval was granted, and the pilot project commenced, through to the time that AGL announced its decision to withdraw from the project.

Table 1. Timeline of Key Events Concerning Gloucester Gas Project

Date	Event, Legislation or Regulation	Detail
6 August 2008	AJ Lucas Group and Molopo Australia lodges a development application	AJ Lucas Group and Molopo Australia lodges a development application for Stage 1 of the GGP (Groundswell Gloucester, 2016, p. 1).
17 December 2008	AGL buys PEL 285 off Lucas Molopo	“AGL acquired PEL 285 from AJ Lucas Group Limited and Molopo Australia Limited”(Energy, 2015a).
2 February 2011	Stage 1 of the GGP is Approved	NSW Planning Assessment Commission “approved both the GGP Concept Plan (which covers the entirety of the project) and the concurrent Stage 1 gas field development area application” (Energy, 2015a).
October 2011	EDO lodged appeal to the Environment and Land Court on behalf of Barrington Gloucester Stroud Preservation Alliance (BGSPA)	The BGSPA filed an appeal against the approval of AGL GGP via the EDO due to “the absence of insufficient evidence as regards to the nature or extent of the environmental impacts”(Lamont, 2011, ABC, 2011). The alliance felt that the considerations of part 3a of the EPA Act has not been met as AGL had continue “to silence and to disempower the community” in ensuring that the GGP would go ahead (Groundswell Gloucester, 2016, p. 3).
3 May 2012	AGL funds report on water conducted by Dr. Rick Evans.	This report was claimed to be conducted due to pressure from community groups. The report concluded that numerical modelling was necessary to determine the impact on groundwater however, this did not take place (Watts, 2018).
August 2012	The appeal against the GGP is dismissed by the Land and Environment Court	The Land and Environment Court rejected the appeal and the GBSPR were asked to pay for the legal costs of AGL and the NSW Planning and Assessment Commission(PAC) (ABC, 2012a)
February 2014	The Gloucester Dialogue is established	The Gloucester Dialogue was initiated by a former Gloucester Shire Council Councillor, Aled Hoggett, as a method for improving the way that communities engage with both the Government AGL (Hoggett, 2014).
2 July 2014	The NSW Department of Planning changes the Department of Environment and Planning Assessment ACT 1979	Part 3a of the Department of Environment and Planning Assessment Act 1979 was abolished to “halve the assessment times for major projects”. All

		projects are to be revised under Part 4 of the Act. Projects are subject to “SSD or State Significant Infrastructure (SSI)” (DPE, 2014c)
November 2014	AGL appoints Andrew Vesey as CEO	Andrew Vesey is appointed as Managing Director and CEO of AGL to take over from Michael Fraser in 12 January 2015. He was described as having "deep experience in working in complex regulatory and political environments" (AGL Energy, 2014a).
January 2014	AGL detected BTEX chemicals in flowback water at their WWP in Gloucester	Well 13 displayed BTEX chemicals. This was reported to the EPA and the DRE on the 27 th January 2015, leaving many residents suspicious as to why it was not reported sooner (Peter, 2015)
February 2015	General manager of AGL’s Upstream Gas Mike Moraza retires	Mike Moraza retired early after “the company launched a review of its gas exploration and production operations”. It has been claimed that a number of events and bad publicity, particularly regarding the finding of BTEX chemicals, that led to Moraza’s early retirement (SBS, 2015).
April 2015	AGL released their Greenhouse Gas Policy	AGL claims that they are committed to “engaging with all our stakeholders... to develop a shared understanding of the best ways for Australia to reduce its GHG emissions” (AGL Energy, 2015a)
May 2015	AGL releases their strategic roadmap	AGL created their strategic roadmap which they claim will place them in a position to allow for inevitable transformation, “drive productivity” and “unlock growth” to allow a greater return for their shareholders (AGL Energy, 2015d)
November 2015	Gloucester Shire Councils asks NSW Baird Government to buy back PEL 285	Councillors in Gloucester voted six to one at a general meeting against CSG in the town. This demonstrated that Gloucester did not have a social licence to operate in the area (Hannam, 2015h).
February 2016	AGL announces the Cancellation of PEL 285 - the GGP and the early cancellation of the PEL 2 - Camden Gas Project by 2023	AGL decided to exit the GGP due to the price international commodity prices, long development lead times and lack of gas produced in WWP (AGL Energy, 2016f). This, they claimed, meant that the project was not economically viable. The Camden Gas Project was going to finish by 2023, 12 months earlier than anticipated, due to the same limitations (Elmerhebe, 2016, AGL Energy, 2016b).

February 2016	AGL fined for failing to declare political party donations	It was found that AGL had failed to adhere to laws surrounding political party donations 11 times and AGL pleaded guilty for this prosecution (Hannam, 2016).
----------------------	--	---

As noted previously, opposition to the decision to approve the GGP had already been fermenting prior to the Government's announcement, and this was particularly noted during the community consultation in Gloucester. This consultation in Gloucester mostly centred around the Community Consultative Committee (CCC) and the Gloucester Dialogue. A CCC is developed for all major projects in NSW, which the purpose of ensuring that proponents of a project engage with community members and stakeholder groups on State Significant Projects (SSP) (DPE, 2018) The Department of Planning and Environment (DPE) has developed guidelines to ensure that "the roles and responsibilities of Community Consultative Committees, and to help these committees operate effectively" (DPE, 2018). According to the DPE's CCC Guidelines, CCC's must comprise: an independent chairperson; up to seven community representatives from each of the Local Government areas concerned; and up to three representatives from the proponent industry, including the person with the direct responsibility for the environmental management of the project (DPE, 2016, p. 4).

The Gloucester CCC was formed in 2008 "as a way of linking the community with the proposed AGL gas project" (Keen, 2017). Members of the GGP CCC have mostly included: community members living in close proximity to the WPP and GGP; members of the former Dungog Shire Council, the former Great Lakes Council and the former Gloucester Shire Council (these councils were subsequently amalgamated with other councils in 2017); Mid-coast Water representatives; AGL staff; members Gloucester Barrington Stroud Preservation Alliance (as discussed below) and members of Groundswell Gloucester (AGL Energy, 2016c, p. 1).

Despite the aim of the CCC, which was to keep stakeholders affected by the project involved and informed, many community members in Gloucester believed that this was not the case, rather the CCC was dominated by AGL as a way for them to reveal selected information and propaganda (Watts, 2018, p. 162). Groundswell Gloucester member, John Watts, described the CCC process as "little more than window dressing...often stacked up with several supporters of the project in questions" (Watts, 2018, p. 162). Community attitudes to the CCC will be discussed further in Chapter 7.

In response to these concerns, the Gloucester Dialogue was later initiated in February 2014 by former Gloucester Shire Councillor, Aled Hogget, who wanted to change the way the community engaged with AGL and the State Government. However, some months later, in November 2014, he announces that he was resigning from the Gloucester Dialogue, claiming that “it had become “an overbearing monologue directed at our tiny and under resourced council” and was “being managed to satisfy the requirement for consultation but delivering no such thing” (Hogget 2014). This position was supported by all community members and groups opposed to the GGP, with John Watts describing it as “another piece of useless window dressing that would achieve nothing other than to make the community feel it’s concerns were being taken for granted (Watts, 2018, p. 163).

Outside of the controversy involved in the community consultation process, interest groups were also trying to prevent the GGP from going ahead from as early as 2011. Shortly after the Government’s decision to approve the first stage of the GGP, the local anti-CSG group, Barrington Gloucester Stroud Preservation Alliance (BGSPA), took legal action in the Land and Environment Court. In a statement announcing their reasons for taking legal action, the BGSPA claimed that the GGP approval “was only based on preliminary groundwater investigations” and expressed particular concern about the “potential environmental impact the wells will have” (Manning, 2012, p. 156). They argued that “due to the lack of data about groundwater impacts”, it was necessary for an independent hydrological study to be carried out (ABC 2012b). The group also viewed the GGP’s approval as reflecting the failure to comply with the precautionary principle, as outlined in Chapter 4. However, in 2012, the Court rejected these arguments and ruled that the State Governments approval was lawful under Part 3A of the Environment Protection and Biodiversity Conservation (EPBC) Act (ABC, 2012a). Whilst the ruling marked the end of this particular opposition group, many of its members joined a new alliance called Groundswell Gloucester.

Groundswell Gloucester was created in opposition to the GGP and aimed to place pressured on AGL and tarnish their brand, as Chapters 7 to 10 will outline. Some of these key events included the discovery of AGL’s illegal submission of a Review of Environmental Factors (REF) rather than a full Environmental Impact Assessment (EIS), and the NSW Government’s changes to the law to accommodate the REF in 2014 (DPE, 2014c); the finding of BTEX

chemicals at the WPP in 2014 (Peter, 2015); and the discovery of illegal political party donations by AGL between 2011 and 2016 (Matthew, 2017). These events are briefly outlined in the Table 1 above and are discussed in more detail in Chapter 9.

It was the controversy caused by these ‘scandalous events’, and CSG more generally, which, I argue, acted as a limitation on AGL’s business power (see Chapters 7-10). For example, Mike Moraza, AGL’s Head Upstream Gas, retired early after the BTEX chemical scandal (see Table 1 above). AGL also changed their business strategy, hiring a new CEO Andy Vesey, whilst also introducing a new Greenhouse Gas Policy and providing a strategic roadmap that moves away from conventional new fossil fuel projects towards a more renewable energy future.

Further, in November 2015, the Gloucester Council held a general meeting in which it voted against the GGP by six to one and in support of a resolution that called on the NSW Government to buy back PEL285. During the meeting, the local Mayor, John Rosenbaun, spoke in favour of the resolution arguing that Gloucester’s residents were “being treated like second class citizens” and that the NSW Government were under an ‘ethical responsibility’ to buy back PEL 285 (Hannam, 2015h). In particular, he expressed concern about whether the NSW Government were adequately enforcing the two kilometre exclusion zones that it had introduced under the SRLUP, the effects of the project on mental health and its damaging impact on the community and its ‘social fabric’ (Hannam, 2015h).

Ultimately, these events can be seen as contributing to AGL’s eventual decision to pull out of the GGP on 4 February 2016. In announcing its decision, AGL claimed that the project had displayed “disappointing gas flow” and pointed to “volatile gas prices” and “long development lead times” (AGL Energy, 2015c). These factors, coupled with “economic modelling” and less favourable “market conditions” were cited by the company as reasons for their decision to exit the GGP (Hannam, 2015c). In its place, AGL announced that it would setup a community fund to support future opportunities in the Gloucester region, such as a new long day care service and up to “36 new jobs” (AGL Energy, 2016d). Either way, AGL’s decision marked the end of a long and dramatic fight against the GGP that had also been marked by “long periods of stagnant uncertainty”(Grubert and Skinner, 2017, p. 10)

Media reporting at the time of AGL's announcement noted the enormous amount of both stress and hope, relief and disappointment, that the project had created amongst residents who had supported or opposed the project (ABC 2016). Following the decision, Julie Lyford, former Mayor and Chairwoman of Groundswell Gloucester stated that: "AGL made a good decision, we respect that decision, and it wouldn't just be on the economics, but we respect that it is the reason they have given" (AGL Energy, 2015c). Others have noted that, whilst AGL had insisted that its decision to pull out of Gloucester had been taken on purely economic grounds, recognition also needed to be given to the efforts of the many opposition groups that had devoted significant amounts of time and energy to stopping the GGP by delaying and hindering the project's progress (ABC, 2016). Nevertheless, those who supported the GGP expressed their concern that it would take "a long while for the community to recover" from the news (ABC, 2016). They pointed to how many businesses were relying on the project going ahead with many describing it as the death of the Gloucester region and its future economic prosperity (ABC, 2016).

5.4 AGL Energy's Shift Towards Renewable Energy

AGL's decision to pull out from the GGP has also be understood and interpreted in the context of a broader change of strategy within the company towards renewables (AGL Energy, 2016e). For example, Andrew Vesey, AGL's Chief Executive Office, issued a press release on the day that AGL announced their decision to exit from the GGP in which he noted that the company needed to "capitalise on the evolution occurring in the energy sector" to "meet its customers rapidly changing needs and expectations" (AGL Energy, 2016f). In particular, Vesey emphasised the need for AGL to move towards a 'decarbonised future', so that Australia could both achieve its renewable energy target at the same time as satisfying the demands and needs of its customers (AGL Energy, 2016f). He further explained that "technology is making a significant change in our industry....we need to be on top of it" (Casson, 2016).

Moves towards this direction were taken in 2016, when AGL also announced the Powering Australia Renewables Fund with its equity partner Queensland Investment Corporation (QIC). In a press release, it was stated that:

AGL will provide \$200 million in cornerstone equity and QIC, on behalf of its managed clients including the Future Fund, will provide \$800 million in equity funding to the Powering Australian Renewables Fund. The balance of funding will be debt raised at a project-by-project level (AGL Energy, 2016e).

At the time of announcing the Fund, AGL claimed that the projects funded by it would “help meet the Federal Government’s targets and spur investment and development in support of Australia’s transition to a low carbon economy” (AGL Energy, 2016e). This reflected a different emphasis by Vesey who was positioning AGL as an energy company that could work with the Government to help it to achieve its carbon reduction targets. Thus, Vesey subsequently stated that “Our attendance at the United Nations Climate Conference in Paris last December affirmed the importance of the generation industry moving towards a decarbonised future” (Ong, 2016). However, interestingly, some have disputed that Vesey’s real interests lie in contributing to Australia’s low carbon economy, rather viewing the company’s ulterior motives as being more economic (Ong, 2016). This is supported by comments by Ross Israel, Head of Global Infrastructure for QIC, AGL’s funding partner, in which he acknowledged that his company:

is not backing renewables because of an iron clad commitment to reducing Australia’s carbon emissions or to meet its environmental and social governance principles. The bald truth is that the Future Fund likes long-term investments that deliver cashflows which will help the fund meet or beat its mandated target of CPI plus 4.5 percent to 5.5 percent (Chanticleer, 2016).

In contrast, the Coalition Government’s policy on climate change has been subject to ongoing change (Diesendorf, 2014). As such, up until recently, both State and Federal Government have continued to largely support the use of fossil fuels; a view well-reflected in former Prime Minister Tony Abbott’s statement that ‘coal is good for humanity’ (Farrer and Slezak, 2016). This position has been supported by claims that energy prices would rise if Australia no longer supported energy generated by fossil fuels, coupled with the argument that the ‘lights would go out’ (Diesendorf, 2014). Conversely, Labor and the Greens have argued that these positions have been used as an excuse for the pursuit of short-term profits (Chanticleer, 2016, Milne and Burke, 2017, Australian Labor Party, 2017). As such, the Coalition has been strongly criticised for not investing in renewable energies (Canberra Times, 2017). Whilst it has only recently acknowledged the benefits of renewable energy, this has remained a highly contentious and politicised issue for the Federal Government.

Consequently, more recently, the Federal Government has begun to acknowledge that renewable energy may have some potential to contribute to a future energy mix in Australia. As the Federal Environment and Energy Minister, Josh Frydenberg, has recently claimed, “We must not miss this opportunity to deliver a more affordable, more reliable and lower-emission energy system for Australia” (Frydenberg, 2018a). Further, he acknowledged that “renewables have developed faster and further than originally thought” and having “pulled through with substantial taxpayer support, can now stand on their own” (Frydenberg, 2018a). Nevertheless, this has also taken place in the context of support for a growth in the use of conventional and unconventional gas. Thus, Frydenberg was also critical of State Governments which had not supported CSG development, commenting that “tragically, State Governments have refused to develop their conventional or unconventional gas fields, despite the detrimental impact such decisions are having on jobs, investment and household budgets (Frydenberg, 2018b).

Indeed, controversially, the 2018 Budget indicated that the Government will continue to intervene in the economy to support the fossil fuel industry, given the continuation of the Fuel Tax Credits Scheme (FTCS), which costs \$30 billion annually (ACF, 2018, Greenpeace, 2018). Notably, the Fuel Tax Credits Alliance (FTCA), which includes 16 peak bodies, including the Mineral Council of Australia, lobbied the Government not to end the scheme after the Government had announced that its intention to reform it in the 2018-19 Federal Budget. This lobbying seems to have had some success as no changes were made to the existing scheme (Kotsios, 2018). Meanwhile, the Australian Conservation Fund (ACF) have noted that the amount spent on the FTCS is “almost nine times the environment budget” (ACF, 2018). Others have pointed to the Government’s support for the Adani coal mine as further evidence of its pro-fossil fuels attitude (Eureka Street, 2018).

As demonstrated, interest group activity, together with the reduced economic viability of CSG, has had some influence on AGL’s strategic business direction. Whilst Lindblom has argued that the interests of business and government always align, the above discussion demonstrates some weaknesses in this argument. It also suggests that Lindblom may fail sufficiently to acknowledge the power of interest groups in influencing Government and business decisions. Both Culpepper and Vogel acknowledge the power of interest groups, yet their particular focus

is more on the ability of interest group mobilisation to shape Government preferences, rather than business preferences. Here, AGL's business objectives appear to have shifted, whereas the Government's has remained largely focussed on its support for fossil fuels. The next section moves away from a discussion of these broader dynamics to focus more narrowly on the interest groups that formed in response to the GGP. My particular focus here is on local groups operating in the Gloucester region, rather than those national pressure groups that were either supporting or opposing the CSG industry more broadly.

5.5 Pressure Groups and the Gloucester Gas Project

One important difference among residents in Gloucester is between those whose families have been there for generations and those who have more recently located to Gloucester in order to experience a quieter community life and a picturesque landscape. Whilst the long-term residents generally supported CSG, the newer migrants, typically retirees, were more sceptical towards it. Supporters were generally concerned about Gloucester's economic future and believed that the GGP would provide jobs and halt the rural decline that they saw as a major threat for the region's ongoing viability. Many of these residents had also witnessed and felt the effects of the historical closure of key industries, such as the timber and dairy industries. These residents expressed their fear that current and future generations would not have secure employment opportunities in the future. Thus, members of those interest groups who supported the GGP tended to be long term citizens, business owners or people directly employed in the mining industry. Other than AGL Energy itself, which I have already discussed, *Advance Gloucester* was the principal interest group that was formed to promote the GGP and its benefits to the region. It worked closely with AGL and the Gloucester GBC during what AGL described as the "extensive community consultations" (AECOM, 2010) that it undertook in the region (Gloucester Advocate, 2015b). I briefly discuss these two interest groups below.

Advance Gloucester was formed in 2013 as an umbrella group to promote the GGP and its potential benefits to the region and partly as a defensive counter to the community backlash that had taken place against the GGP (Tracy, 2012). The group's past President, Rod Williams, identified the group's membership as being "predominantly generational farmers" and "longer-term business and community people who have significant investment in our (the) region" (Williams, 2015b). Williams went onto describe the group's aims in the following way:

The aim is to promote, encourage, support and advance any commercial, industrial, mining, sporting and-or cultural business undertaking enterprise project and-or venture and carry out array of activities which in the opinion of the association will advance Gloucester and adjacent areas of the population (Gloucester Advocate, 2014b).

Although the group claimed that it was not a pro-mining group, they did believe that the town could co-exist with mining and that the GGP would generate numerous benefits for the Gloucester region. They also saw the GGP as a way to halt the flow of young people leaving the area due to a lack of employment. As Williams (2015a) argued: “Why only tourism and anti-resources? Why not a collective that we believe can sensibly and rationally co-exist to help stop our school kids from being our region’s number one export?” Alongside this concern, Advance Gloucester also believed that the town of Gloucester, and the region more broadly, had been damaged by media reports and press reports on the protests and demonstrations that had been organised by those opposed to the GGP. As such: “The image of Gloucester is important and that’s why we’ve (they have) formed to get the right message out there” (Chambers, 2014). In the words of another member, the community was “being compromised by negative media exposure”, as a region “under siege”, and this was something that they felt that they had to try and address (Gloucester Advocate, 2014b). Thus, the membership of Advance Gloucester largely saw their mission in terms of representing a voice that would “stand up for farmers and business owners who may see a benefit in allowing mining on their property” (Saunders, 2014).

The Gloucester Business Chamber (GBC) is an interest group concerning business interest within the Gloucester region. Benefiting from close links with Advance Gloucester, the GBC describes itself as “a not for profit organisation that represents business interests within the community and provides support of community organisations and their projects” (Gloucester Business Chamber, 2017). Like Advance Gloucester, the GBC viewed the GPP as an economic opportunity for the region and they worked closely with AGL in trying to develop support for the project by highlighting the local benefits that the project would bring for both the town and the broader region. These close links were forged by meetings that were attended by members of Advance Gloucester and the GBC (Gloucester Business Chamber, 2017). For example, they signed a local agreement with AGL to “ensure local businesses are considered as the company’s preferred suppliers should the GGP proceed” (Gloucester Advocate, 2015b). This agreement was seen as a “long term project between the Chamber and AGL” aimed toward

delivering enhanced levels of cooperation between those businesses operating in the Gloucester region (Gloucester Advocate, 2015b). Alongside the two pressure groups that had been formed in support of the GGP at least two others had been formed at the local level in opposition to the project. I briefly introduce these now.

Groundswell Gloucester are a pressure group formed in opposition to the GGP and as an outgrowth from a former pressure group with the same aims, the Barrington-Gloucester-Stroud Preservation Alliance (ABC, 2012a). Groundswell Gloucester contended that the GGP was a risk to “food production, agriculture, service industries, tourism and rural lifestyle”, which it described as being “of paramount importance to the (our) economy and a sustainable future” (Groundswell Gloucester, 2012). The group also expressed their concerns with reducing the negative effects associated with climate change, as well as their concerns that too much decision-making power rested with the State and Federal Governments, who work alongside industries, to make local residents feel powerless in resisting the GGP (Groundswell Gloucester, 2012). As such, Groundswell Gloucester (2012) claimed that “Unwanted and unwelcome developments are being imposed on communities and this is creating division, conflict and lack of trust in Government process” (Groundswell Gloucester, 2012).

Many members of Groundswell Gloucester are relative newcomers, or ‘tree changers’ as they often refer to themselves, who have moved to the region to either retire or to provide a better-quality lifestyle for themselves and their families. With a large proportion of members being retirees, these members often devoted a significant amount of time to their cause by engaging in researching, networking, educating and protesting against the GGP. They formed connections with the media to create awareness regionally and beyond, with a main objective being to put pressure on AGL. They believed that, by building greater awareness about the industry and its negative effects, they could damage AGL’s brand, and, thus, drive them out of Gloucester.

Groundswell Gloucester also worked closely with the Lock the Gate Alliance at a national level. Lock the Gate was formed in NSW in 2010 as a movement against the CSG industry having described themselves as “a national grassroots organisation made up of over 120,000

supporters and more than 450 local groups who are concerned about unsafe coal and gas mining” (Lock the Gate Alliance, n.d.). The name derives from a commitment by its members to ‘lock their gates’ to the coal and CSG industries. The movement has since gained visibility with their familiar yellow, triangular signs being displayed on properties throughout Australia (Lock the Gate Alliance, n.d.). These national groups have also networked and collaborated with other anti-CSG groups both in Australia and internationally, including Greenpeace, Land Water Future and One Million Women.

The Gloucester KNAG were another local pressure group that was also formed in opposition to the GGP and, thus, shared similar goals with Groundswell Gloucester. Part of a broader movement that collaborate largely via social media, the KNAG was first formed in Casino (NSW) in 2012, but it has since grown with twenty groups now in existence across NSW alone (Turnbull, 2015, KNAG, n.d.-b). The KNAG describe themselves as political activists who “make their presence felt in the war against unconventional gas mining, other forms of non-sustainable energy and nasty rapacious greed” (KNAG, n.d.-a). They go onto explain: “We were nagging the politicians and we were nagging the gas companies to get this horrible industry out of farming areas” (KNAG, n.d.-c). Thus, with their focus on the environment and future generations, the KNAG argue that they want to “bring attention to (their) our movement and to what is happening, gather supporters and media attention, so (they) we can bring a halt to unsustainable and downright idiotic projects” (KNAG, n.d.-a).

The Gloucester KNAG collaborate and network via a Facebook page, and regularly protest with other KNAG groups across NSW and Australia. As well as participating in peaceful protests, such as marches down the main street in the town of Gloucester, they also were known to participate in acts of civil disobedience, such as when members of the Gloucester KNAG were arrested and fined for locking themselves to gates to prevent access to CSG operations (Tarasov, 2016). As one KNAG protester explained: “There’s basically a commitment to do whatever it takes to stop CSG mining, whether it’s Santos, AGL or Metgasco” (Mitchell, 2016).

Table 2 Table of Interest Groups

Pro – GGP Interest Groups	
Interest Group	Description
AGL Energy	<ul style="list-style-type: none"> • AGL purchased PEL 285 from Lucas Molopo in 2008, where they began their WPP (AGL, 2017). • In March 2011, AGL gained state government approval to undertake gas exploration activities in the Gloucester region. This provided AGL with the opportunity to drill 110 gas wells (AGL, 2017). • AGL claimed that they provide community consultation and engaged mostly with Advance Gloucester and GBC as they were most willing (AGL Energy, 2011, Gloucester Advocate, 2011). • AGL exited the GGP in 2008 claiming that their decision was primarily an economic one (see Section 10.3).
Advance Gloucester	<ul style="list-style-type: none"> • Advance Gloucester first evolved to provide a voice for residents that want the GGP to proceed in Gloucester as they saw it as an economic opportunity for the town that would bring jobs and income for local businesses (Williams, 2015b). This would also reduce rural decline, keeping young people in the town. • They claim that they do care for the environment, but only to the degree that this pillar is balanced with the economic priorities of Gloucester. Their aim is to advance the community by promoting jobs and economic prosperity (Williams, 2015b). • The groups include predominantly generational farmers and longer term business and community people (Saunders, 2014).
Gloucester Business Chamber	<ul style="list-style-type: none"> • GBC represents business interests in the community and supports local industry projects. • They support the GGP, for much of the same reasons as Advance Gloucester (Gloucester Business Chamber, 2017). • Many of the members are local farmers and business owners, as well as being members of Advance Gloucester (Gloucester Business Chamber, 2017). • They have close links with Advance Gloucester and AGL (Gloucester Business Chamber, 2017).
Anti – GGP Interest groups	
Interest Group	Description
Groundswell Gloucester	<ul style="list-style-type: none"> • Groundswell Gloucester formed in opposition to the GGP and the former group Barrington-Gloucester-Stroud Preservation Alliance formed to create Groundswell Gloucester (ABC, 2012a).

	<ul style="list-style-type: none"> • They saw that the GGP was socially, economically and predominantly, environmentally destructive (ABC, 2012a). • They comprise mostly of newcomers and tree changers • Members spent significant time and resources with the aim of placing pressure on AGL and the government to give up on the GGP. Member had numerous skills and experiences that they could contribute to their cause, including legal expertise and strong relationships with the media (Groundswell Gloucester, 2012, Groundswell Gloucester, 2016).
Lock the Gate Alliance	<ul style="list-style-type: none"> • National grassroots organisation comprising 450 local groups nationally (Lock the Gate Alliance, n.d.). • They drive the commitment for farmers across the nation to lock their gates to the mining industry, placing yellow triangular signs around their properties and on their gates and these signs have become well renown (Lock the Gate Alliance, n.d.).
Knitting Nannas Against Gas Gloucester	<ul style="list-style-type: none"> • KNAG Gloucester are a local group of women opposed to CSG. • The local KNAG group in Gloucester are a part of a broader network internationally who describe themselves as political activists against fossil fuels in promoting renewable energy. They have a focus on preserving the environment for future generations (KNAG, n.d.-c). • They are renowned for their peaceful protests, knitting yellow and black garments at protest sites (KNAG, n.d.-c)

5.6 Conclusion

Gloucester is a town and regional area that has changed significantly over the past 30-40 years, initially as a result of an economic decline brought about by the closure of several primary industries, and more recently, as a result of an influx of newcomers principally retirees and those looking for a rural way of life. Alongside mapping these changes, this Chapter has also provided a brief history of the GGP from its origins to AGL's decision to pull out of the project. This discussion is located in the context of the broader debates about climate change that have taken place mainly at the Federal level of Government but with important impacts on local debates. Finally, four key interest groups that have been particularly active at the local level in support and opposition towards the GGP have been briefly introduced. Now that the context has been set, the next Chapter discusses the methodology and research methods utilised in this thesis. I justify the case study approach used before outlining the semi-structured interviews that were conducted and my analysis of the newspaper coverage of this issue.

CHAPTER 6

METHODOLOGY

6.1 Introduction

This Chapter outlines the methodology that I used to study the GGP. Predominantly, qualitative in focus, most studies of business power have used a case-study approach and this study is no different in that respect (Atkinson and Delamont, 2010, p. 188). At the same time, no one case-study is typical and the power of business is not unidimensional as it varies in considerable ways across both time and space. As such, a single case-study like this one is not simply generalisable, rather my aim is to examine and illustrate the type of circumstances under which business power is limited; and, here, particularly, to examine the role that interest group activity and media attention can play in constraining business power. As such, my case study mainly draws on semi-structured interviews with key actors involved in the GGP along with a detailed content analysis of newspaper coverage of the CSG debate in Gloucester. I also examine AGL's share price and variation in the international price of gas. The Chapter is divided into three substantive sections. The first section of this Chapter expands on the use of a qualitative methodology in this thesis, considering particularly issues of interpretation and reflexivity; crucial aspects of qualitative research. The second section outlines and justifies my use of the case study method. The third, and much longer section, outlines the methods that I used to collect my data, including semi-structured interviews and the newspaper content analysis.

6.2 Interpretation and Reflexivity in Qualitative Research

In quantitative research, researchers often begin their study with a theory which they use to generate hypotheses which are then tested (Creswell, 2009, p. 54). At the end of fieldwork, which is generally statistically based, the researcher will feed the “findings... back into the theory” to explain and justify their results (Boeije, 2009, p. 5). Conversely, in qualitative research, theories are often selected to enable the researcher to understand their empirical data and to discover theoretical understanding. As such, theory is often used iteratively throughout the research process; and, in doing so, the qualitative researcher can use a variety of different research methods to develop their insights into people's beliefs, experiences and actions. The range of methods that a qualitative researcher might use can vary but could include “in-depth interviews, focus groups discussions, observations, content analysis, visual methods” as well

as others (Hennink et al., 2010, p. 9). For example, semi-structured interviews are often used to identify common themes and generate a deep understanding of the topic area under investigation with a view towards the research questions being asked (Boeije, 2009, p. 5). This includes themes that the researcher may have already identified as well as themes which may emerge during the course of the research (Lewis-Beck et al., 2004, p. 1020). In my particular case, qualitative research methods were used to collect and generate insights into various questions, including what happened when, the range of issues facing the Gloucester region, the beliefs of key actors and the reasons why they took the stances and actions that they did.

However, as implied by the above paragraph, undertaking qualitative research also inevitably raises issues of interpretation. By using qualitative methods, I am providing my interpretation of another actor's interpretation of a particular set of beliefs, behaviours or actions (the so-called 'double hermeneutic') (Giddens and Dallmayr, 1982, p. 11). An actor's interpretations of what they do are subjective and infused with different beliefs such that individuals can experience and interpret similar events in very different ways. This is crucial because these interpretations influence the actions that they take. However, this is only one aspect of the issue because, as a researcher, I am also involved in the process of interpreting their interpretations of their own beliefs, behaviours or actions. So, qualitative researchers are always engaging in what Giddens has termed the 'double hermeneutic' (Giddens and Dallmayr, 1982, p. 11). From this perspective, what social researchers are doing is presenting their own interpretation/understanding of the interpretation/understanding of other people's actions/experiences. In epistemological terms, this approach rejects positivism and is much more fully aligned with interpretivism.⁴

Nevertheless, two further methodological implications follow from this discussion. First, it naturally follows that researchers need to focus on the interpretations of different actors/groups. In doing so, they are trying to build up a picture of what happened by, for instance, interviewing key actors to understand how they interpret their own beliefs and the beliefs and actions of others as well as key events, actions and behaviours that pertain to their case. However,

⁴ In ontological terms this position could be interpretivist/constructivist or critical realist, a difference discussed by Ercan, Furlong and Marsh (2017), but one that I do not consider at more length as the crucial point here is that both approaches would use the methodology adopted here to study the power of business.

because, in my view, the different actors will have different interpretations of their actions, and indeed of what happened, then to understand what happened we also need to consider their different subjectivities. As such, a crucial role for reflexivity is a second methodological implication that follows from the discussion above. It is vital that the researcher remains aware of her pre-existing values and how their perspectives of the topic, and the world around them, influences their own perspective on the research and how it is being conducted and interpreted by them. As Delanty (2005, p. 121) explains: “Reflexivity is an epistemological condition that arises when the social scientist recognises that the scientific method consists of an effort to translate different orders of knowledge”. Or, as Maxfield and Babbie (2017, p. 281) put it:

In qualitative interviewing, you are the instrument of data collection, which means that you are also involved in constructing meaning. Because you construct meaning based on communication with others, you essentially represent them through your interpretation of their stories. This sounds like a lot of responsibility, and it is. As a result, it is important to understand how to engage in reflexivity before and throughout the research process.

As such, Lee and Cassell (2011, p. 41) argue that researchers need to see “ourselves as a participant in the process of shaping our social, organisational and research experience” (Lee and Cassell, 2011, p. 413). In other words, “we can’t stand outside what we research”, yet “being reflexive about how we impact research processes is the first step in attempting to control it” (O’Leary (2007, p. 223). In doing so, we must be aware of our “research processes and findings”, our preconceived values and perspectives and engage in “collective self-critique (about) one’s words and accounts of the individuals and groups being studied” (Young and Skrla, 2003, p. 53). At the same time, and crucially, if we are open about our own subjectivities, then this also allows the reader to take them into account when interpreting the researcher’s interpretation (what might be called a third level of the hermeneutic).

This is why is important that I acknowledge my views on CSG both before, during and after conducting my research on CSG in Gloucester. Prior to the commencements of my interviews in Gloucester through my own observations, I held a position which aligned with that of the interest groups and individuals in Gloucester who opposed CSG. This is because I believe, based on my prior research, that CSG can potentially damage the water table, create water and environmental contamination issues and pollute the environment and the atmosphere. Further, the damage that CSG can create long-term, locally and internationally is largely still unknown (Cronshaw and Grafton, 2016b, p. 96; Schernikau, 2017, p. 229). As such, I believed that the necessary precautionary principle, as highlighted in Chapter 3, should apply

to ensure environmental preservation for today and for future generations. It is my view, both prior to the interviews and after writing this thesis, economic prosperity should not be placed before environmental preservation. In the context of the power of business debate, expected to find that the AGL exercised considerable power in the Gloucester community, relying on interest group mobility and the media could, to an extent at least, limit the power of AGL.

In conducting my research, I had to ensure that my views did not impact on my research approach in selecting participants, conducting interviews evaluating my results. In terms of my choice of participants, I had to keep an even balance of pro-CSG and anti-CSG participants, as I outline below in section 6.4. My approach to my research is outlined in sections 6.4 to 6.7, where I show how I used my research methods to explore my research questions.

During the research process, in analysing my data and writing-up my findings, I found that the power of business in Gloucester was not as great as I had previously assumed. Interest groups in Gloucester and beyond has placed limitations on the business power of AGL through protest and media pressure. However, I also found that the international price of gas and AGL's responsibility to it's shareholders had played a significant role in contributing to AGLs decision to exit the GGP, as Chapter 10 will reveal.

In the next sections, sections 6.3 to 6.7, I outline the research methods I utilised.

6.3 Case Study Selection

Since the 1970s, case study research has been “increasingly recognised” as a “valuable research method” yet it is still considered to be “one of the most challenging of all social science endeavours” (Yin, 2013, pp. xix, 3, Simons, 2009). As Yin (1994) argues, case study research “investigates contemporary phenomenon within its real life context, especially when....the boundaries between phenomenon and context are not clearly evident” (Yin, 1994, p. 13). Merriam (1988, p.13) develops this point by emphasising that case studies are “particularistic, descriptive, and rely heavily on inductive reasoning in handling multiple data sources”. This is elaborated on by Simons who has argued that case study research is something that involves:

an in-depth explanation from multiple perspectives and complexities and uniqueness of a particular project, policy, institution, programme or of a system in a ‘real life’ context. It is research based, inclusive of different methods and evidence-led. The primary purpose is to generate in depth understanding of specific topic (as in a thesis), programme, policy, institution or system to generate knowledge and/or inform policy development. (Simons, 2009).

Further, Yin argues that case study research is an appropriate method when three conditions are met:

- (1) the main research questions are “how” and “why” questions;
- (2) a researcher has little or no control over behavioural events; and
- (3) the focus of study is a contemporary (as opposed to entirely historical) phenomenon. (Yin, 2013, p. 2).

These conditions and the more general definitions of case study research provided above are met by this research project, which “tries to illuminate a decision or set of decisions” by focusing upon “why they were taken, how they were implemented, and with what result” (Schramm 1971 in Yin, 2013, p. 15).

There are a variety of ways in which case studies have been used in social science research Stake (1995, p. 3-4). As such, Stake distinguishes between intrinsic case studies, where research is driven by a particular intrinsic interest in the case, and instrumental case studies, when a case study is explored to address a broader question, for example the extent of, and possible limitations on business power. Finally, Stake (1995, p. 4) discusses comparative case studies, which he calls collective case studies, in which multiple cases are explored comparatively to address such broader questions. He emphasises, however, that comparative case studies are usually undertaken in larger projects (Stake, 1995, p. 4).

To use Stake’s terms, the case study of Gloucester in this thesis is a largely instrumental one, which is used to address the research questions outlined in my Introduction and which all pertain to broader questions concerning the power of business in contemporary liberal democracies. According to Mills et al (2010, p. 473), researchers use instrumental case studies to provide “insight into a particular issue” with the hope of either redrawing generalisations or building theory. Nevertheless, any research has limitations and trade-offs and it is important to identify these limitations, including “what the study is and is not – its boundaries – and how its results can contribute to understanding” (Marshall and Rossman, 2010, p. 76). Whilst this thesis “explores a phenomenon in depth”, like most qualitative studies, it is a small project that

focuses on a limited area; in this instance, one case study (Given, 2015, p. 3). As such, it is not possible to make generalisations about the power of business on the basis of this one case alone. However, we can use a single case like this one to explore some of the factors that affect the power of business by, for example, examining the role of interest group activity and the media.

I used a single case study rather than a comparative case study. A single case study allows the researcher to “question old theoretical relationships” because a more comprehensive study is being undertaken, as the researcher builds a deeper understanding of a subject (Creswell, 2013, p. 97). In this way, the researcher is able to “describe and understand the context so well” that she can provide theoretical insights. It is important for the researcher to acknowledge that “the more context the research investigates, the less contextual insight he or she can communicate”(Dyer Jr and Wilkins, 1991, p. 614). Put simply, parsimony can distract from the detail of the case.

This case study on Gloucester required a deep contextual understanding of the intricacies of the relationships in Gloucester. This single case study demonstrates the relationship between business, anti-GGP groups, media reporting and AGLs share price. In my view, a single case study was more appropriate for providing a theoretical contribution to the power of business literature, as a comparative case study would not allow for the same “in-depth, multifaceted explorations” to “reveal powerful insights” on the relationship between business and government (Crowe et al., 2011, pp. 7-8).

As a research method, semi-structured interviews also have certain limitations. Walsh perhaps makes the point too boldly when he argues that the “validity of the data is always suspect”, because the researcher can never be sure whether the participant is being entirely honest in his/her responses to the interview questions (Walsh, 2001, p. 66). At the same time, because semi-structured interviews allow the researcher to be flexible in what she asks and how she asks it, it is difficult to adequately compare responses as participants may have been asked different questions (Walsh, 2001, p. 66, Klenke, 2008, p. 128). Of course, it must be recognised that the aim of this case study is not to show causation or correlation, but to demonstrate the interest group pressure and economic factors help to explain the outcome of the case. Whilst I acknowledge the above limitations, this research and the case study of the GGP does still allow me to focus and reflect on a number of important questions in the conceptual literature about the circumstances under which the power of business can be

constrained and the role that interest groups and the media can play in that process. In particular, because AGL Energy ended up withdrawing from the GGP, it seems as though it is a prima-facie case where business was not able to achieve its goals and where its power could be construed as being limited. These are among some of the key issues addressed by Vogel, Culpepper and others who take issue with many of Lindblom's claims about business power by focussing on the limitations of business power, and particularly the role of interest group activity, the media and public opinion in constraining their power (see Chapter 2). As such, this case study and the broader thesis can be used to explore, critique and reflect on these theoretical arguments in relation this particular case. Having justified my selection of the case study method, I now use the remaining sections of this Chapter to outline and detail the methods and data that I collected during my fieldwork, starting with semi-structured interviews.

6.4 Semi-Structured Interviews

Semi-structured interviews enable the researcher to delve into the key topic ideas and themes in which she is interested and are one of the most important research methods used in qualitative research (Recker, 2011, p. 65). Indeed, Gillham (2010, p. 65) argues that they can be "the richest single source of data". Others have also argued that semi-structured interviews are the most suitable fieldwork method for conducting case study research (Algozzine and Hancock, 2016, p. 47). According to Tracy (Tracy, 2012, p. 147), a good interviewer asks questions that are open-ended and inquisitive such that they allow the participant to tell their own story. This then allows the interviewer to ask follow-up and supplementary questions in order to 'dig deeper' into the issues (Trainor and Graue, 2013, p. 126). The use of open-ended questions is further supported by Bernard, who has highlighted their importance not only for delving deeper into an issue, but also by doing so in an appropriate manner that treads carefully around sensitive topics (Arksey and Knight, 1999, p. 152).

Generally, in semi-structured interviews the researcher starts with a list of topics or open-ended questions informed by her research questions and the issues that she wants to address but always with enough flexibility to allow interviewees to express their own views on their own terms. It is also important to create an environment that allows the interviewee to bring up issues that are of concern to him or her. As Algozzine and Hancock (2016, p. 47) argue, this flexibility allows the interviewer to dig deeper into the issues being explored whilst also

ensuring that they are able to ask all of the questions that need to be covered to address the main concerns of the research (Ridder, 2016, p. 168). Thus, Algozzine and Hancock (2016) emphasise that a critical step is to try and identify the interviewees who are going to provide the most useful information with respect to the research questions that you wish to ask and, then, evaluate ways in which may gain access to those people who you have identified. So, in the case of my research, it was important to interview people who were both for the GGP as well as those who were against it. Tables 3 and 4 lists and provides a brief demographic description for each of my interview participants. The interviews were conducted over two different time periods hence the two tables.

Table 3. First-Round Interview Participants (November-December 2015)

Participant Number	Description
1	Councillor and farmer
2	Farmer and Advance Gloucester member
3	Local retiree and Advance Gloucester member
4	Councillor
5	Retiree and Groundswell Gloucester resource assistant
6	Local preschool teacher
7	Retiree and Advance Gloucester member
8	Industry worker and farmer
9	Councillor and farmer
10	Groundswell Gloucester member and resource assistant
11	Councillor
12	Retiree
13	Groundswell Gloucester member and resource assistant
14	Groundswell Gloucester member and resource assistant
15	Industry employee
16	Farmer and Groundswell Gloucester member
17	Ex-school teacher
18	Local retirees (couple)
19	Groundswell Gloucester member
20	Groundswell Gloucester member
21	Business owner
22	Local Real Estate Agent
23	Local Business owner
24	Advance Gloucester Member and fifth generation farmer
25	Retired Psychologist
26	Gloucester KNAG member

Table 4. Second-Round Interview Participants (February 2016)

Participant Number	Description
27	Retiree and Groundswell Gloucester resource assistant
28	Councillor and farmer
29	Industry worker and farmer
30	Councillor
31	Groundswell Gloucester member and resource assistant
32	Farmer and Groundswell Gloucester member
33	Gloucester KNAG member
34	Advance Gloucester member and fifth generation farmer

I conducted my first set of 26 interviews between late-November and mid-December 2014. Interviewees were typically invited to participate in the study by email. Emails were initially

sourced from the public domain based on individuals who had taken a prominent stance in relation to the GGP. Subsequent participants were recruited using the snowball method (Gideon, 2012, p. 68). I began the interviews by introducing myself to the participants. This was followed by an explanation of the purpose of the project and the ethics requirements, including questions of anonymity (see below). I made it clear to the participants that my aim was not to assess whether CSG was good or bad, or whether their views were valid or incorrect/correct. In explaining the above, I explained that my project was conducted as a part of a PhD. programme at the University of Canberra. I also emphasised that I was interested in asking them a number of questions related to:

- who was participating in the CSG debate?
- how they were doing so?
- in what forums and where were they participating in the debate?
- what did they think the outcome would be, and why?
- how did they feel that the GGP was viewed by the community?

I briefly outlined the nature of the interview process and told interviewees that the interview would last roughly an hour. When I concluded my interviews, I informed my participants that they could contact me at any point in time if they require further information or had any other questions. As has been previously noted, this reflects the fact that it is vital that researchers gain consent “and clarify issues of anonymity and confidentiality” at the start of the interview process and then at least once more again at the end of the interview (Algozzine and Hancock, 2016, p. 47). As Klenke (2016, p. 149) has emphasised, “informed consent must be obtained from interviewees after they have been carefully and truthfully informed about the nature of the research”. Consequently, questions of anonymity were discussed at the start of the interview when participants were given a consent form. The consent form required participants to tick a box to confirm that they were willing to participate in an interview that would be recorded and transcribed. Each participant was also provided an information sheet on the research project, its aims and purpose, which included my contact details and those of the University ethics committee. The consent forms, recordings and transcripts have all been securely stored in accordance with the approvals and requirements detailed by the Human Research Ethics Committee at the University of Canberra. The project received ethics approval on 23 October

2015 (Project Number 15-197). Table 5 lists the interview questions that were asked, although with considerable flexibility dependent on how the interview developed and with a view towards my earlier discussion about semi-structured interviews.

Table 5. First-Round Semi Structured Interview Questions (November-December 2015)

1. How long have you been living in Gloucester?
2. What are the main businesses operating in Gloucester?
3. Can you briefly outline how and since when you've been associated with the CSG issue in Gloucester?
4. IMAGES (see detail below)
5. Who do you regularly talk to about CSG issues and where?
6. What links do you know about between individuals and groups who have shared interest in CSG related issues in Gloucester?
7. Who do you think are the key decision makers on CSG related issues in Gloucester?
8. Do you have regular interactions with business leaders in Gloucester, particularly those that have interest in CSG?
9. Who do you trust less in Gloucester when it comes to CSG related issues and why?
10. Overall, how would you characterise the public debate surrounding CSG in Gloucester?
11. How noisy do you think the debate on CSG has been in Gloucester?
12. What Impact has the public debate on CSG had on the community?
13. In your experience, do people with different views on CSG in Gloucester interact with one another?
14. What role has the media played in relation to CSG both locally and nationally?
15. How do you participate in the public debate on CSG in Gloucester?

After AGL announced its decision to pull out of the GPP, it was important that I revisited Gloucester to conduct further interviews with participants on both sides of the debate. As such, I chose to re-interview eight previous participants who could provide insights into why they thought that AGL had pulled out of the project and what had changed in the period between the last time that I had interviewed them. My questions aimed to establish the reasons for

AGL's decision to pull out of the GGP from the perspective of my participants, including the role played by interest groups and the media. Table 6 outlines the questions that were asked during this second round of interviewing again allowing for considerable flexibility dependent on how the interview progressed. The interviews followed the same processes outlined above with respect to discussions about ethics and anonymity.

Table 6. *Second-Round Semi Structured Interview Questions (February 2016)*

<ol style="list-style-type: none">1. Why did AGL pull out of the GGP?2. In what way was or wasn't AGLs decision to pull out of the GGP expected?3. How are you feeling about AGLs decision to pull out of the GGP?4. What are AGLs future in Gloucester and NSW?5. How has the community reacted to the decision?6. How do you see Gloucester in the future?7. How has the media responded to the decision?

All the interviews were transcribed by the company, Rev.com. Each transcript was carefully read alongside the recordings, before they were uploaded into NVivo for coding. I used NVivo largely as an organising device to help me categorise sections of my interviews by themes and keywords. These themes and keywords were iteratively revised and refined as I read and re-read the interview transcripts in a back and forth process reflecting at all times on its relationship to my interview material, my research questions and the theory.

6.5 Photo Elicitation

I also used photo elicitation during the semi-structured interviews to elicit responses from my participants (in addition to asking the interview questions listed previously). Harper (2002, p. 14) argues that photo elicitation is a method that involves “inserting a photograph into the research interviews” to stimulate discussion. The photograph is then discussed by the interviewee, including their interpretations of it (Rose, 2012, p. 304). As Pearson and Dare emphasise, “(t)he decision to include visuals within policy document analysis is clearly a case of “does it add value to my investigation? And/or ‘Is it appropriate’?” (Pearson and Dare, 2016, p. 126). Pearson and Dare (2016) argue that photo elicitation can add value to an investigation

where the researcher seeks to elicit an emotional response to the image, to enable the interviewee to tell a story of an experience that will reveal key themes and issues relating to the research. Images provide a visual for the participants which stimulates conversation in a way that cannot be encouraged through interview questions (Pearson and Dare, 2016, p. 126).

In the case of the GGP, the criteria discussed above were met to illicit emotion, enable storytelling and reveal key themes that were relative to my research questions. Three photographs were used at the beginning of my first-round interviews in late 2015. The photos were shown at the beginning of the interview because, as Vaccaro (2010, p. 121) argues, utilising photo elicitation early on in the interview often stimulates the interviewee's memories, which can lead to "more substantive and comprehensive" material. In my study, interviewees not only interpreted the image based on their prior knowledge and understanding; but, in most cases, the images also elicited an emotional reaction. Thus, photo elicitation provided an opportunity for the interviewee to develop their answers by telling stories about their experiences with reference to the image. It also served as an important ice-breaker to develop trust between the interviewer and interviewee. This was particularly important given the issue being discussed and its highly contested nature. Figures 13, 14 and 15 show the three photos that were used during these interviews.

Figure 13. Photo of NSW Parliament



Source: Korologou, 2013

Figure 14. Photo of a Failed CSG Operation During the Fracking Process



Source: Ricketts, 2012

Figure 15. Photo of a Protest at Bulli Oval in the Illawarra



Source: Humphries, 2012

As such, photo elicitation provided further data within each interview, and enabled a deeper exploration of several key thematic issues relevant to this study (Brown and Peers, 2006, p. 97). In particular, the images added to the richness of my data, particularly in relation to discussion of democracy and trust towards particular groups. The images had been purposefully selected to generate responses relevant to the themes covered by this study and to generate a reaction that could be used as a basis for asking supplementary questions.

The first image, Figure 13, displays the lower house of the NSW Parliament (Korologou, 2013). By choosing this image, I was hoping to generate a discussion about trust and democracy in relation to politicians and governance in Australia, and how this relates to the GGP. It may then also reveal the participants views as to any potential exchange relationship between business and Government, as discussed in Chapter 2. For example, when using this method of photo elicitation, supporting GGP participants often discussed their faith in democracy and the Australian political system, while opposing GGP participants emphasised their disgust and lack of faith in regard to politics and democracy in Australia. They saw that both State and Federal

politicians were self-serving and only cared about business interests, rather than the needs of the environment and the people of Gloucester (see Chapters 7 and 9).

The second image, Figure 14, is a cartoon by the popular cartoonist, Aidan Ricketts. Ricketts regularly produced cartoons for newspapers in opposition to CSG exploration. The image shows CSG workers using the hydraulic fracturing technique to release CSG with the words: “proving that CSG using hydraulic fracturing doesn’t have an impact on the water table”. The word “boom” in the background next to an explosion of water and gas blown from the coal seam is used to suggest that the process is dangerous and under-researched (Ricketts, 2012). Here, I wanted to explore participant perspectives on the risks associated with CSG as well as relative themes such as trust and the noisiness of the issue in public debate. In response to this image, supporting GGP participants often expressed anger and frustration at the way in which the CSG industry in Australia was over-regulated, describing opposing participants as anarchists and socialists who were disrupting the use of this technology for their own self-interest. However, opposing GGP participants often discussed the risks associated with CSG when presented with this image, including ideas such as the need for the precautionary principle to be applied in a way that had not been the case up until that point in time (see Chapter 7).

The final image, Figure 15, was of a protest, where more than 3,000 people mobilised to form the words “PROTECT H2O STOP CSG” at Bulli Showground in the Illawarra, which is a coastal region located immediately south of Sydney and north of the South Coast region (Humphries, 2012). Activism and interest group mobilisation are core themes within this thesis, so I wanted to gain insight into participant perspectives on this issue and the impact that it had on the debate pertaining to CSG, as well as hearing stories on what protest activity had taken place and my participant’s views on such activity. Supporting GGP participants, again, often expressed anger and frustration in discussing the monthly street marches that took place in Gloucester, as well as protests at popular tourist rest spots in the area. They described these events as fear mongering, painful and disruptive to the town (see Chapters 7-10). In contrast, opposing GGP participants often discussed stories of activism, particularly where women who were described as shy and conservative began turning up at Groundswell Gloucester meetings and later protesting, even participating in blockading. They saw these events as powerful in mobilising people through social media, creating noise, including through media reporting (see Chapters

7 - 9). These stories helped me understand how CSG had become noisy as well as the process of mobilising people to gain interest group members and organise protest. These points are later discussed as being key limitations of AGL's business power.

6.6 Media Reporting and Content Analysis

Alongside semi-structured interviews, a content analysis of Australian newspapers was also conducted using the database, Lexis Nexis. Krippendorff (2012, p. xii) has argued that content analysis is "one of the most important research techniques in the social sciences" whilst Stemler (2001, p. 1) has emphasised that it is an approach to research that enables the researcher to consider relatively large volumes of data, whilst also allowing a focus on a particular set of individuals, groups and/or topics. Content analysis was used in this study to identify trends and patterns within press reports related to CSG, including "shifts in public opinion" as represented by media reporting (Stemler, 2001, p. 2).

The most commonly used forms of content analysis involve examining media reports, texts and documents (Bryman, 2015, p. 285). Background reading of this material was used in this study to help develop an understanding of the key events in relation to CSG in Australia, NSW and Gloucester in particular. Documents, reports and websites, including social media sites, were examined, as they were valuable, not only to improve the researcher's understanding of the policies, regulations and key events relating to CSG, but also in providing data on the actions of interest groups, Government and AGL Energy. In particular, media articles and websites provided insight into the noise and controversy generated by groups and the way in which various actors justified their actions. This analysis also provided a greater understanding of the relationships between groups in Gloucester, the surrounding regions and beyond.

A more systematic analysis of media coverage in five major Australia newspapers, using the database Lexis Nexis, was also conducted. This was important given the project's interest in the role of the media in influencing the debate about CSG in Gloucester. In particular, it was used to identify the frequency with which the CSG issue was covered by Australian newspapers as well as the position of each newspaper in relation to the issue. The major Australian newspapers included in this study were: *The Age*; the *Sydney Morning Herald*; the *Canberra*

Times; *The Australian*; and the *AFR*. A keyword search was conducted to include the word ‘Gloucester’ in combination with one or more of the following words: Fracking; Frack; CSG; Gas; LNG; CSG; and AGL. The time period covered was 1 January 2008 to 31 December 2016. The results from this search produced 820 articles. Each article was then read to ensure that it contained content relevant to the topic of CSG in Gloucester. At the end of this process, only 356 of these articles were deemed as being of direct relevance to the CSG debate in Gloucester. Those articles that were excluded were more often than not short stock market, financial or business reports that did not directly deal with any of the issues pertaining to the debate about CSG in Gloucester or the GGP. In a breakdown by media source, the 356 selected articles were split in the following way: 29 articles from *The Age*, 135 from the *Sydney Morning Herald*, 29 articles from the *Canberra Times*, 59 from *The Australian*, and 104 from the *AFR*.

I carefully read each article that was related to CSG in Gloucester in order to identify ‘bias’ in the coverage, rating each article as either pro-GGP, anti-GGP or neutral. For the purpose of this thesis bias is defined as media coverage on the CSG debate that was overwhelmingly either anti-GGP or pro-GGP. If coverage was not prominent on one side of the debate, the article was considered neutral. As my own biases might influence my assessment of the articles, I had another researcher independently read each of these articles on the same basis. At the end of this process, there were some minor discrepancies in perspectives on bias, including: 0 articles in *The Age*; 3 articles in the *Sydney Morning Herald*; 1 article in the *Canberra Times*; 2 articles in the *Australian*; and 4 articles in the *AFR*. However, the other researcher and I discussed these inconsistencies, before coming to a joint conclusion on whether the article was neutral, pro or anti-GGP. The results from this study provide important insight into the frequency with which the CSG issue was covered in the news media and the perspective taken by each newspaper in relation to the issue. The results from this study are reported and discussed in Chapter 7.

6.7 The Economic and Financial Context

In order to provide insights into the economic and financial context surrounding the GGP, data drawn from AGL’s share price and the rise and fall of gas prices were also examined. Identifying gas prices gave insights into AGL’s claims as to why they withdraw from the GGP. Relating share price trends to key events, and comparing this against broader market trends, also helped me to assess the extent to which these events may have affected AGL’s share price.

Data was downloaded from AGL's investing website (AGL Energy, 2018) between 29 April 2008 and 31 December 2016. April 2008 was chosen as the start date because this was the earliest date that AGL share prices were available. It also ties in with when AGL purchased PEL 285 and entered the CSG market in Gloucester, which was in late-2008. The highest and lowest share prices were then selected to track key share price trends over the eight-year period. These were then analysed against general stock market trends by comparing AGL with the ASX 200 Index (ASX, 2018). This was important to try and differentiate general fluctuations in AGL's share price from rises and falls that were taking place in the broader stock market. In addition to this share price data, figures on variations in the international price of gas were collected between 2008 and 2016. Data was downloaded from the website investing.com. The results from these analyses are presented and discussed in Chapter 10.

6.7 Conclusion

This Chapter has outlined and justified the research methodology used in this research. The research undertaken uses largely qualitative research methods where the need for an awareness of interpretation and reflexivity has been acknowledged. The meaning and value of case study research was also discussed in developing a deep understanding of an issue in relation to the core themes that motivate the research. Semi-structured interviews, as a method, were also justified on the grounds that they can provide valuable data for exploring core issues and themes with participants. The interview process in this study was also outlined, including selection of interviewees, the interview questions, how the interviews were conducted and how they were analysed. The role of photo-elicitation in the interview process was also discussed as well as my use of content analysis to collect and analyse newspaper articles pertaining to the CSG debate in Gloucester. Finally, I also collected and analysed data on the economic and financial context, including AGL's share prices and the international gas prices. The next Chapter reports on the data derived from the semi-structured interviews; in particular, with a discussion of interest group mobilisation and the core ideas and perspectives that have shaped the perspectives of the interest groups that have been active in Gloucester. This is crucial because interest group mobilisation and influence has been identified in the literature as important in developing an appropriate understanding of business power and its limitations.

CHAPTER 7

INTEREST GROUP MOBILISATION AND THE GLOUCESTER GAS PROJECT

7.1 Introduction

This Chapter focuses on the extent to which the CSG issue divided the community in Gloucester. My initial aim here is to explore how the two ‘sides’ lined up on the issue, how they justified their positions and how they related to one another, to AGL and to the Government. However, the main point to make here is how ‘noisy’ the issue was in Gloucester. This is important, because the argument of Culpepper, in particular, is that once an issue gets noisy, the power of business is reduced. The Chapter is divided into four substantive sections. The first section examines the primary concerns and motives of those interest groups and residents who supported the GGP before the second section then does the same, but for who were opposed to the project. The third section then discusses the connections between these interest groups, identifying the networks that they created with one another; in other words, to show and demonstrate the pattern of interest group mobilisation that emerged between these groups. The fourth section focuses upon the divisions within the community, highlighting the impact that the debate had on Gloucester and its residents. This section also illustrates both the lengths to which groups and individuals were willing to go to achieve their aims and the methods and tactics they used in doing so. The final section examines my participants’ perspectives upon democracy, as well as the degree of trust that they have towards the key interest groups, the Government and AGL.

7.2 Concerns and Motives: Supporters of the Gloucester Gas Project

It is important to examine the ideas of the residents and interest groups who supported or opposed the GGP, because, as outlined in Chapter 2, pre-existing ideas and access to resources play a role in influencing political outcomes. This is the purpose of the following two sections of this Chapter. Generally, those who support the GGP viewed the CSG issue as an example of history repeating itself; in their view, other industries had left Gloucester in the past because they had been driven out by environmentalists or ‘greenies’ and this was no different. What they left behind them was rural decline and a detrimental impact on the local economy. Conversely, opposing groups believed that the CSG industry was unsustainable, and were

astounded at the Government and the industry's failure to take precautions to protect the environment and future generations. In what follows, I outline several of the main arguments made by those interest groups and residents who were in favour of the GGP. Participants who supported the GGP often argued that industries, such as CSG, are important because they provide economic growth to rural communities, including jobs opportunities that prevent further rural decline from occurring. This included the argument that economic prosperity could not be sacrificed for the sake of environmental preservation and, instead, a balance must be maintained between environmental and economic concerns. I begin with the first main argument that was often raised by supporters of the GGP, which concerned employment and economic growth.

7.2.1 Employment and Economic Growth

Residents who supported the GGP viewed it as a much-needed project that was essential both for the town as well as the region's future survival. In particular, the GGP was seen as a project that would create new job opportunities for locals and bring other workers into the town. For these residents, the GGP was also the answer to the rural decline that had affected the prosperity of the town because it was viewed as something that was likely to generate trade for the local business community (Participants 2, 3, 7, 8, 11, 15, 23 and 24). This argument is reflected in the view of the following participant who argued that a thriving industry is crucial "for this community (Gloucester) to survive and prosper" (Participant 8). Another participant supported this view, arguing that it is: "not so much the money. It all comes down to having jobs and money in the town. That's the hard truth... When it comes down to livelihood, that's pretty important" (Participant 23).

Many residents located and reflected on the GGP in the context of the decline in employment opportunities that had taken place since the deregulation of the dairy industry. A local retiree emphasised the impact of this change on the community, noting that: "Really to a major extent the township has never really got over it... The cattle and dairy industry had been the mainstay. There was up to a few years ago, some timber like saw milling. A lot of those have closed down and moved on" (Participant 7). Similarly, an Advance Gloucester member and a fifth-generation farmer expressed his view that it was important to support new industries in the

region, particularly after the decline of the timber, dairy and beef industries and its devastating impact on the local economy:

All those old villages, they had a railway station, they had a school, they had at least two timber mills. A lot of employment... employment really wasn't much of an issue. Lots of jobs affordability, you could work in a mill and pay a house off. Everyone had a right of passage, right through life... then they could retire here. It was a one stop shop...you could be born, work, retire, do the lot. Because those three industries start to slip and fail, that does have major impacts, your whole dynamics change...that flows through then to schools... (Participant 24).

The flow-on effect of the decline of the traditional primary industries in the Gloucester region was raised by many long-term residents who pointed to the families who had moved out of the region due to the lack of employment and the impact that this has had on local business. In this vein, a local real estate agent emphasised the significant decline in the number of students at the local high school due to the loss of employment and economic growth in the region:

...we're going from 550 kids in high school to now, I think there are about 330 in the high school. That's the reflex...when the workers go, the kids go, the town shrinks, and the economy ... We're a pretty fragile economy. I think you can ask any shop people in town, I don't think there's any of them making a fortune (Participant 22).

This concern about a declining number of young people in the town was often repeated, particularly with reference to the 'tree changers' and retirees who had since moved to the region and the changing dynamics that this had caused within the community. Whilst they acknowledged that tourism was important to the region, they did not see it as providing the same opportunities as a new key industry, such as a mining company, establishing itself in the town. More specifically, residents who supported the GGP pointed to the local coal mining industry as an example of an industry that had 'kept the town going' over the past two decades. This usually included reference to the Drowley and Stafford coal mines (smaller, boutique mines located in the Gloucester region), which were often used by pro-GGP residents and interest groups as examples of industries that had brought employment and economic growth to the local community (Participants 2, 3, 8, 22, 23 and 24).

Others identified the potential economic benefits of easements, such as pipelines and gas wells, together with the purchase of property for mining, as net benefits that would flow from the growth of the GGP. It was argued that these developments would deliver benefits only not only for the industry or particular individuals, but also for the town and region of Gloucester more

broadly. For example, a local farmer discussed the benefits brought by easements like gas wells whilst explaining that those who were long-term residents of Gloucester were familiar with holding easements on their property. The participant went onto explain: “If there were any people that had a problem, it was mainly the newcomers. For us, as generational people, easements aren't new. Because we've always had them, we've always grown up with them. Another one for a gas line, just add it to the list” (Participant 24). This resident also believed that, although those in opposition might be in the fight for climate change and environmental preservation, they were still using the electricity that farmers like him were helping to produce through their work with the mining industry:

I'm part of the problem because I need power. I think, well, every time I get up out of the bed in the morning, I'm part of the problem, so I've got to contribute to our land. Other's just don't understand that they have an impact when they get up. Probably don't respect that other people have an impact and a right to services (Participant 24).

Finally, there were those who identified the positive effect that the GGP could have on house prices and the compensatory packages that the industry would have to provide for those who were impacted by the GGP. For example, one local real estate agent explained that those who had been approached by AGL to have their property purchased off them: “had won the lottery...Some of the people who got the money from AGL in the mine, they got way more than anyone else would've paid them, and nearly all of those have reinvested back in town” (Participant 22). Others identified the potential economic benefits that could come from the likely compensatory packages that AGL would have to offer to those impacted by the GGP. For example, one resident argued that the compensatory packages offered under the GGP would benefit the local communities such as Gloucester:

They are compensated anything between four and five thousand dollars a year from each well that may be on their property. There are some of these dairy farmers in the Delaware (River) Basin saying that there has been an enormous boom to them, in that they've been able to improve their standard of farm mining machinery, their milk production in different ways and so forth. It is my belief that if AGL is successful in finally getting the green tick here, then I can see various dairy farms...if they're able to have a gas well or two on their property and assuming AGL can compensate them for having the wells on it, this will improve their standards of equipment (Participant 7).

In conclusion, these residents and interest groups tended to believe that what is good for the Government and industry, is also good for the people of Gloucester. This is based on the idea that the GGP would deliver economic growth and local jobs with the profits from such projects

at least partially going back into the community. This argument reflects Lindblom's claim that the power of business often results from its capacity to get citizens to believe that its interests are their interests (Lindblom, 1977, p. 202, Marsh, 1983, p. 5). Here, according to Lindblom, volitions are manipulated so that citizens believe that private enterprise is an essential aspect of democracy, and therefore, in this particular case, that the development of the GGP is in the best interests of the town (Lindblom, 1977, p. 203). However, the dominance of this idea depends a great deal on keeping an issue like the GGP away from the media and the public's attention; or, in Lindblom's terms, keeping a 'grand majority issue', off the public agenda. The questions raised by these perspectives will be explored in further below and in subsequent Chapters.

7.2.2 Balancing Environmental with Economic Concerns

Many supporters of the GGP expressed concern for the environment but argued that environmental concerns needed to be balanced with social and economic concerns (Ekins and Voituriez, 2012, p. 89). As such, the environment could not be prioritised above all else, as doing so would mean ignoring individual livelihoods and the survival of the town at large (Participants 2, 7, 8, 11, 15, 22, 23 and 24). Thus, most pro-GGP participants argued that environmental groups were too extreme, skewed by false information, and emotionally driven, rather than guided by facts (Participants 2, 7, 8, 11, 15, 22, 23, 24). Some participants also expressed frustration and disbelief about the need for environmental preservation, explaining that AGL had conducted all the necessary research and testing to ensure that all its procedures and practices were safe and environmentally friendly (Participants 2, 7, 8, 11, 15, 22, 24). Some participants also expressed scepticism towards climate change or thought that it had been exaggerated in the media, much like their view of the risks associated with CSG (Participants 1, 2 and 8). Indeed, the importance of not taking any issue to 'extremes' was emphasised by nearly all participants where the general view was that the environment needed to be protected, but not at all costs. For example, one local retiree argued: "Our group (Advance Gloucester) of which I've probably been an original member right from the word go, we are people who are not in opposition to the environmentalists...[we] believe in the preservation of certain aspects of the environment, but we're not extreme" (Participant 7).

Whilst they were in the minority, some participants also argued that the GPP would have no adverse or detrimental environmental effects at all. One participant argued: “In our areas, we’re not going to have an impact, no issue with water” (Participant 15). One long-term resident, employed by a local industry also shared similar views, claiming that AGL was one of the most regulated industries in the world and that many of the environmental precautions that it was being required to take were far from necessary. He argued that “the regulatory overview of this (the) industry is extreme” and that the flowback that has been identified by the “greenies” as “really nasty stuff... because it's CSG water” was not such a problem and shouldn’t be treated as “the filthiest product God has ever allowed to be created” (Participant 8). The participant quoted at the beginning of this paragraph supported this claim, arguing that:

...the flow backwater is just the same as swim water. It's the same as the water that comes out if it rains and it's in the streets... The pilot project was hydraulic fracturing... flow backwater that needs to be carted to a facility because it can't just leave because it's got CSG attached to it. It's part of CSG...needs to be taken to a licensed facility. It doesn't need to be, but it is. Because that's the regulations... (Participant 15).

Given that the impact on water was one of the main concerns of those opposed to CSG and the GPP, some participants who supported CSG argued that people who had been living in Gloucester for generations were better placed to understand the waterways than any newcomer (Participants 2, 3, 8, and 24). As such, they were in a better position to understand that there was no danger in the water from CSG operations. As one participant explained:

Morgan's Gully...runs into the river about 5 or 6 km down, and that has a lot of clay and that in the base of it. That soil that gets washed out of that when it rains, it's actually filling our river up as it comes down. *A lot of these people...have no idea what they're talking about* (Participant 2).

Such participants also contended that there had been no impact from CSG fracking in the past, so they could not understand the concerns of those opposing CSG operations. As one participant explained: “There’s been over 2 million fracks in America, and there hasn't been one impact on water. Two million fracks. It’s amazing.” This sense of exaggerated reaction was also reflected in how GPP supporters viewed the concern around mental health issues that had been raised by George Bender’s suicide (see Chapter 3). Many felt that the media used the suicide, and other stories, as an opportunity to attack the industry:

... it's not causing mental issues. Well, that's what they (those opposed to CSG) were pushing, some guy that committed suicide up in Queensland, some of them (CSG company) going on his property and he didn't agree with it... Well, they couldn't go without his permission... Anyway,

he committed suicide, and then brought that up down here in some meeting and saying, "oh, we don't want that to happen in Gloucester, people committing suicide" (Participant 2).

These, and other views, fed into a general view amongst those who supported the GGP that those who were opposed to it were either ignoring the science or simply ill-informed. For example, Advance Gloucester, the pro-GGP interest group, held many meetings to which they invited Government representatives and CSG stakeholders. Whilst the meetings were open to the public, many participants who supported the GGP complained about the behaviour of those who were opposed to the project. As one participant explained:

the EPA [Environmental Protection Authority], the Office of CSG (OCSG), and we've had the Chief Scientist here...had the one that did the investigation into the BTEX Chemicals too...Lee Shearer. We've had them all there. And these people (those opposed to the GGP) come along and listen, then they go out, and still carry on (Participant 2).

In conclusion, the academic literature, and indeed media reporting, as outlined in Chapter 6, has claimed that environmental issues are largely kept off the agenda because they impact on business success. Lindblom's idea that there is an exchange relationship between Government and business, together with the work of Culpepper, largely endorses this view. However, Culpepper and Vogel argue that what Culpepper terms low salience issues, in Lindblom's terms secondary issues, can become high salience issues (and, thus, be placed on the agenda) through the mobilisation efforts of interest groups. As I argued in Chapter 2, Culpepper and Vogel use the example of Ralph Nader, who shaped public opinion and helped change environmental legislation. In that situation, Government and business no longer held a privileged position. Crucially, both theorists argue that Lindblom failed to highlight the circumstances under which business power is limited, and, as we shall see, this is an important issue for this case study. As such, the next section examines the perspectives and motives of those opposed to the GGP.

7.3 Concerns and Motives: Opponents of the Gloucester Gas Project

The main concerns of residents opposing CSG and the GGP were environmental preservation, reducing climate change, water quality and threats to the preservation of a peaceful and picturesque rural lifestyle. Generally, participants who were opposed to the GGP were against the use of both conventional and unconventional fossil fuels and wanted to see a broader shift towards the use of renewable energy and more sustainable living options. For example, Groundswell Gloucester argued that the region's economic future rested on growing its tourist

and agricultural industries “into sustainable development opportunities that will last generations” (Groundswell Gloucester, n.d.). This section of the Chapter reviews the concerns and motives of those who opposed the GGP. These concerns included: the need for sustainable economic growth, such as tourism; concerns over water contamination from leakages and flowback water; the undervaluation of property and interference in rural livelihoods caused by the CSG industry; the absence of scientific studies regarding the impact of CSG; and concerns associated with health risks. I begin with the first argument concerning the impact of the GGP on sustainable economic growth.

7.3.1 Sustainable Economic Growth

As previously acknowledged, industries in Gloucester have ‘come and gone’, however, participants who opposed the GGP didn’t view these industries as long-term, sustainable solutions for providing employment and economic stability in Gloucester. In their view, economic growth and jobs for the short-term were too often the focus, rather than jobs based on sustainable economic growth and environmental preservation for future generations. From this perspective, those who supported the GGP often had a vested interest in doing so. For example, many argued that those who supported the GGP were business owners or property owners who would stand to gain significant financial benefits if the project went ahead. In contrast, those who opposed the GGP “care about the long-term effect it could have” through their shared “love for the environment” (Participant 12). In this vein, Participant 16 argued:

I think genuine concern about how we are going to sustain ourselves. I just don’t think they’re looking at the wider picture or long term, they’re looking short term. Agriculture can go on for 150 years, tourism can go on for 150 years, this can go on for 30 years and then what’s going to happen?

Whilst tourism and agriculture were viewed as sustainable long-term solutions to economic growth and job creation, the GGP was seen as making false claims that it would create jobs and opportunities for young people. Indeed, many anti-GGP residents and interest groups argued that most of the high-quality jobs would go to people from outside the Gloucester region because it required knowledge and qualifications that those in the regions did not possess:

Even if you were just to look at it economically, the trade-off isn't even worth it. If you were to have more workers come in, AGL come in and bring business, if it's deterring people, it's actually not good for the economy here, really, in the long run anyway. They have the huge economic deterrent that has a long-term potential for far greater benefit that I see, than just the short-term benefit from the gas (Participant 12).

In addition, these participants often argued that those who supported CSG and the GGP underestimated the economic benefits that locals bring to the community:

You can't tell me someone like me, who came here 26 years ago, had three children and I spent every cent she's had on food, medicine everything in Gloucester... and employed numerous locals and build our little business. Over the long term I have to have put more money in this community than what the extraction industries had because they come and go and people leave (Participant 16)

Indeed, some argued that those who supported the GGP were discouraging the growth of the community because not many people would want to live near a gasfield (Participant 16). As this participant continued:

attracting and keeping families in Gloucester is a long-term solution because it helps our schools employ teachers, helps out hospitals employ nurses. I can't even understand financially, if you have a look at economics how, on a long-term basis, this [the GGP] could outweigh encouraging more families to come here (Participant 16).

Overall, these participants argued that “economics have to take a place” but it should take place in a particular order: “I think people, then the environment, then economics should be taken into consideration” (Participant 12). Therefore, most anti-GGP residents and interest groups stressed sustainable, long-term solutions to jobs and economic security over and above what they viewed as a temporary mining boom.

7.3.2 Water and Flood Plains

Nearly all anti-GGP residents and interest groups expressed deep concern about the environment, including both the flow-on effects of CSG and its potential damage to aquifers, the contamination of water surrounding wells and in surrounding waterways. For example, one participant explained that:

If we don't protect the water we're really in big trouble because we all need water. Every living thing needs water ... even if there's even a fraction of a percent that it could damage the water. In the driest continent on earth why would we even risk it? (Participant 16)

Some participants also expressed concerns regarding Gloucester's position on a flood plan and the associated risk of gas leakages (Participants 14, 16, 20 and 21). Thus, flooding was viewed as a particular concern for most anti-GGP residents and interest groups (Participants 5, 9, 12,

14, 16, 19, 20, 21 and 25). Many of these residents argued that the Government were not responding to these issues, which they viewed as under-researched and largely ignored because business had too much power and the Government was focussed on economic growth (see below). For example, one local active Groundswell Gloucester member argued that flooding occurred in Gloucester every three years and stressed the negative impacts that this would have on the environment through water contamination and pollution. This, they explained, would also prevent AGL from accessing the wells that they had located in the centre of floodplains. During an interview, one participant pointed to half of the town of Gloucester on a map and asserted:

This area, a third of that area, all of this area is in flood plain. This is what happens on a regular basis, every two or three years. That was in 2011. The Waukivory Pilot Site is situated smack in the middle of that, and they don't think that's a problem. They won't even get to the site for a week (Participant 14).

This same participant then took further issue with the Government's view that environmental problems are not 'cumulative', arguing that environmental factors were considered only as individual matters. They explained: "...the State Government does not consider any of these in a cumulative situation. They only deal with them as separate items. There's no cumulative discussion going on there" (Participant 14).

7.3.3 Economic Easements and Property Prices

In direct contrast to the discussion on economic easements above, those opposing the GGP saw economic easements as an undesirable intervention. Many participants held similar views as the following interviewee: "It's a bit like a power line running through your place. No one wants to build a house alongside one of these big power lines (Participant 25). Further, those who opposed the GGP contended that the project, and the easements that come with it, not only undermined property prices, but were also undesirable for both incomers and local residents who wanted a peaceful and healthy environment. As the following participant explained:

...if you've got a choice as to where you live, and which the people that we have been attracting, they're now retiring, but they've got a lot of money. They have a choice of where they want to live. I'm damn sure if I've got a choice I don't want to live alongside a piggery. I don't want to live alongside a gas flow...the people that are not wanting this industry that have moved here. They're frightened about their children or frightened about their health, the effects of the food they grow (Participant 16).

Such participants argued that tree changers who have recently moved to the area, as well as local residents, did not choose to live next to an industry such as the proposed GGP and, thus, their choices should be both acknowledge and respected. This view was also reflected in those who pointed to the tension that had been created by these new residents moving to the area. As one participant emphasised: “I think that's caused a lot of tension in the town... the people who used to think they ran the town, head of the rotary club, head of the bowling club, and all that sort of stuff... all these new people have come in ...” (Participant 10).

Another participant expressed this concern somewhat differently when she referred to residents who lived on nearby properties as suffering from “collateral damage” as they were “the ones being tested to see how we all react” to AGL’s initial exploration (Participant 16). They further explained that they have “a lot of neighbours who had not lived in Gloucester as long as I have and they’re very, very devastated. They feel hoodwinked, come here, retire here, spend their money here and now they’re going to be living in a Gasfield, very unfair” (Participant 16). This had occurred because the Government had rezoned areas of Gloucester to attract retirees to the area:

How can you encourage people, how can you rezone an area... and now these retirees flocked here, they spent money here? They said, “We didn’t come to Gloucester for this and to be put under this pressure.” I have an elderly lady down the road...she bought a home for \$400,000. She spent \$150,000 doing it up, she had that much pride in her home. She employed locals to come and help her garden because she was an elderly lady. She sits there and cries half the time now because she says, “What am I leaving my children? Depression is just rife around this Forbesdale area... (Participant 16).

7.3.4 Science and Risk

Many participants opposed to the GGP raised uncertainties about the science surrounding CSG and often invoked the precautionary principle to argue that the risks and scientific unknowns were simply too great to allow the project to continue. Some also invoked the NSW Chief Scientist’s Report to justify their arguments as to why the project should not go ahead (see Chapter 5). Whilst some challenged the report’s conclusions, others argued that the recommendations had not been taken seriously enough whilst yet another group of participants argued that the report should have been undertaken prior to the approval of the GGP. For example, some residents argued that Gloucester’s unique geology meant that the GGP was too risky and should not go ahead as planned (Participant 12). In doing so, they used sections from

the Chief Scientist's Report which stated that fracking should not occur in areas where the risks were too great. As such, one participant argued that:

I've always spoken very highly of this report. I've always said, 'Now, these things need to be made sure they're going to be adopted.' She (Mary O'Kane) talks about the regulatory authority. She talks about the mental health. They've implemented how many, eight? That they say they're going to implement them all. They say they will. (Also)... this is where the Gloucester's is so different (due to its unique geology). This, many people don't understand (Participant 12).

The same participant argued that "if this report would have been given earlier out, they (AGL) never would have got approval in this valley. Gloucester is just in a very awkward position at this stage" (Participant 12). Another participant supported this view, arguing that Gloucester was one of the worst locations for CSG as the geology was not appropriate, leaving uncertainty about the effects that the GGP would have on the environment, aquifers and water quality (Participant 14). In this participant's view, this reflected a lack of concern for the environment and a concerted attempt to downplay the long-term consequences of the project for short-term royalties. The same participant also used the Chief Scientist's report to justify her claims:

This is the geology and hydro-geology. It's heavily faulted. When they frack...they can do it safely. They cannot. Even the chief scientist said to us in a private meeting that went for over an hour, there are some places that it shouldn't be happening at all and intimated that Gloucester was one of them. The whole thing is not like Camden, even though Camden's got its own issues (Participant 14).

In not trusting the information that AGL and the Government were providing, many residents, particularly those associated with Groundswell Gloucester, have undertaken their own research on CSG and its effects. For example, Groundswell Gloucester regularly compared its own research with that produced by AGL and the Government. As one participant explained:

...see the latest bioregional assessment that just came out... I like to keep my quotes and comments to factual information that I believe come from reputable places, so that I can challenge what I'm hearing, whatever it is, if I need to challenge it. That's why I'm getting someone to look at that now, that has the ability. There's two articles in there, in that report, or two paragraphs in that report. One of them states... that there definitely is...connectivity between the aquifers, the high and lower aquifers, but it doesn't know to what extent (Participant 12).

These concerns were also often couched within a comparison of long-term versus short-term interests. For example, many anti-GGP residents argued that long-term concerns about the environment meant that it was reasonable to adopt the precautionary principle to protect future generations. As this participant explained:

... (I'm thinking) very long term. That's what I'm thinking of. My father had a saying up on the wall "The land who cares for the people who care for it." There's a few people here who are farmers who think coal seam gas is a great thing but really just want to make money out of it and they're not caring for the land as much. There's other people who say that coal seam gas is all about money and it's a waste of time. ... If you think short term you're stuffed (Participant 9).

As such, long-term environmental issues and considerations were often prioritised by those who opposed CSG. Lindblom's ideas suggest that the GGP would be framed as being good for business, good for the economy and, thus, good for the region and its population. Consequently, it is important to explore whether CSG supporters, such as AGL and the Government, have failed to manipulate volitions or keep issues off the public agenda; and the role that environmental concerns may have played in this. These are issues to which I will return at later points in this Chapter.

7.3.5 Health

Many residents expressed various health concerns about CSG and the GGP, including health concerns related to the effects of water pollution and leakages of polluted water. For example, a retired psychologist explained his concerns about the long-term effects of BTEX chemicals: "The trouble with BTEX is that it's carcinogens and carcinogens take years to have their effects...So you're not going to really see the effects of them until at least five, if not ten or fifteen years down the track" (Participant 25). From this participant's perspective, it didn't matter whether BTEX chemicals were naturally occurring or not; that factor was irrelevant to him. The participant continued:

...despite all of the world evidence that it is likely to be harmful. They've done some measurements and they've done mathematical calculations as to what they think the level of BTEX chemicals of the house closest would be, but they haven't actually measured them... which in our mind is appalling! The Australian Medical Association said that there should be a health impact assessment for every major new mining project (Participant 25).

Consequently, many anti-GGP residents complained that the Government and AGL were risking the health of the community for the sake of short-term profit. Thus, the participant quoted earlier argued that: "they should be measuring noise impacts, which is, as I say, what drove a lot of people out. They should be doing sleep quality studies and so on... they should be measuring heavy metals... they're not doing any of this, so it's one small token amount which is more a mathematical calculation..." (Participant 25). It is therefore evident that many

anti-GGP residents did not feel that enough was being done to ensure that the environmental and health risks were being appropriately managed.

Alongside health concerns related to water, mental health-related issues were also highlighted by a number of participants as part of their discussions of the likely impact of the GGP on the community. Many residents pointed to how they were either personally suffering mental health issues, and/or people that they knew who were suffering from the same. Many argued that they were being bullied by the CSG industry or had suffered huge emotional tolls in their fight against the GGP. Indeed, some Groundswell Gloucester members noted how they had made the decision to step away from the group for the sake of their mental health. As one participant noted:

There's one young woman who's in the leadership group with Groundswell, I guess she's got young children. This is just consuming their life. She's very good at what she does...and they're lucky to have someone of her sort of calibre but she's got young children. The best years of her life are going into this fight and it's a bit depressing (Participant 9).

Others noted the more personal effects of the GGP on their mental health. For example, one participant claimed that his mental health and stress levels had just gone “through the roof” (Participant 16). They argued that this distress had been caused by the uncertainties about both their livelihoods and the project’s potential environmental impacts. Another participant pointed to similar experiences elsewhere in the region:

A lot of people in this valley would sit around, where they feel there's no certainty in their life because of devaluations...The mental health issues that come out of the anxiety of people living near those wells is extraordinary... three people down there (in Forbesdale; a part of Gloucester where wells are present) alone had breakdowns because of what was happening...they came in like a mob of cowboys, and we really didn't know what was happening. We really had to push to find out what was happening in the valley. Then, they're (the residents) very concerned about the water tables in those towns. Mental health issues are a big part of this (Participant 12).

Many residents argued that these feelings were brought on because they felt as though they were “all sitting in limbo” (Participant 16). As this participant explained: “One minute we’re all packing up and selling...people put their houses on the market and realize just how much they’re going to lose. Makes you very anxious” (Participant 16). This participant further explained that they had a family business that they had plans to develop, which they had put on hold: “What is the use of spending any more money here when we’re never going to get it

back? It leaves you in limbo. Then it put stress on your family because you want to go forward because you know you've got to earn more money to have a better lifestyle..." (Participant 16). George Bender's suicide (see Chapter 4) was also often discussed in his context. For example, one participant discussed Bender's suicide and then related it to their own personal experience, noting that: "I can take you to a young family man who said he was that concerned about his family, he feels like he could jump..." (Participant 12). Others noted the local Council's decision to pass a resolution, voted six to one in favour, of ending the GGP and demanding that the State Government buy back AGL's PEL.

Overall, all these participants highlighted that, compared to coal mining, CSG was a new technology, but they disagreed on whether that was a problem and, on the risks, if any, that it posed. However, for anti-GGP residents, this left them suspicious about why the Government was not taking the precautionary principle seriously or undertaking any significant research into the GGP and its potential environmental and health impacts. This may suggest that business does have a privileged position in policy making, as the issue had been deliberately left off the agenda. In Lindblom's terms, environmental regulations regarding CSG would be considered a grand majority issue, given placing the issue on the agenda would undermine the exchange relationship between business and Government if significant regulation was introduced (Lindblom, 1977, pp. 142, 204-205). However, secondary issues, or high salience issues, as Culpepper prefers, are deliberately placed on the agenda as they do not affect business and government, leaving grand majority issues, or low salience issues, to be silent in the public realm (Culpepper, 2010, pp. 1, 4-5). I will return to these issues in subsequent Chapters in order to show the limitations of Lindblom's view that grand majority issues are always kept 'off the agenda' in this case. Here, I merely emphasise Culpepper's point that, in some circumstances, such as scandalous news stories, low salience issues can become high salience issues (Culpepper, 2010, p. 147). I will also discuss Vogel's view that business power is not stable, but rather varied, particularly if the media plays a role in interest group mobilisation against business interests, as is the case here, and as we shall see in Chapter 8. Interest groups mobilisation, rooted in networking, resources, knowledge, expertise, time and the use of the media are factors which limit the power of business (Vogel, 2003, pp. 8-11, 93-103). Further, Corporate Social Responsibility (CSR) can help force business to respond to the public and its demand (Vogel, 2005b, p. 16-17). These issues are further explored in Chapters 7, 8 and 9.

7.4 Interest Group Mobilisation

The mobilisation of interest groups has already been identified as an important factor in evaluating the power of business but assessing this level of mobilisation requires an understanding of the connections and relationships that exist between different interest groups, as well as the relationships that interest groups have with other key individuals. This section of my Chapter reports on these relationships using data drawn from the semi-structured interviews where each participant was asked to discuss their association with community groups, and the links that exist between them. Advance Gloucester, the GBC and AGL were closely connected in supporting the industry, as Lindblom would expect. Conversely, however, Groundswell Gloucester and the Gloucester KNAG collaborated with a large array of environmental and anti-industry groups. Their networks were much broader as they linked to groups with similar interests, but also a range of educated individuals and professionals who provided expertise and resources to support their cause. As we saw in Chapter 2, Vogel emphasises the role of interest group mobilisation in changing the public perception of an issue. The success of these groups in influencing the public's perception of CSG, and their influence over the outcome, is therefore explored in further detail below.

7.4.1 Supporters of the Gloucester Gas Project

For participants supporting the GGP, it was important that they worked and cooperated with AGL Energy. Participants associated with Advance Gloucester and the GBC saw this as a symbiotic relationship based on an honest and transparent relationship in which AGL provided support and opportunities in the town. As one participant explained:

The GBC, we deal with them a bit. I'm actually on a committee, at the moment, there. AGL's funded a guy by the name of Brett Peterkin to see what resources he can get, what funding he can get for the area. Try and bring money back into the area. Get projects happening. Even if the project doesn't get up off the ground. Try and benefit the community. In one way or another. We're actually chasing huge funding to get this Buckett's Way fixed... I haven't seen any other group trying to do as much as what Advance Gloucester has done towards the business community (Participant 2).

Many residents also attended lectures and tours run by AGL. As one local retiree explained:

(An AGL staff member) ...would notify me of a particular lecture going on about CSG operations and methodology and extracting the gas from the ground...I wasn't going to miss out on my opportunity in learning something about it. I went to all these things, all the

functions... there's a few other good people too. Business people who took an interest in what's going on (Participant 7).

Many participants who supported the GGP also acknowledged their association with farming communities, particularly the local dairy farmers, who felt that the GGP bring benefits to them. According to one participant, AGL “(sent) out a project update about once a month”, including to “people who are opposed [to the project]... as well as anyone at all who wants to receive information...” (Participant 15). This local industry worker also explained that “AGL do 45-minute site tours quite regularly”, ran engagement panels, attended local meetings and had a seat on the Gloucester Community Culture Club (Participant 15). As such, this participant noted that AGL promoted community engagement, support and consultation, including through Dialogue Cafes that were funded through the Gloucester Community Investment Program (Participant 15). These “interactive workshops” were designed to allow AGL to examine the “social impacts associated with the project” (Communitiy Consultative Committee, 2015, p. 4). As noted in a previous Chapter, AGL also signed a local procurement program with the GBC and Advance Gloucester, to purchase from local businesses if the GGP were to go ahead (Gloucester Advocate, 2015b).

AGL also fostered strong links with the Business Chamber. As such, one participant spoke highly of the goodwill cafes and local procurement agreements that had been struck between AGL and various local businesses in Gloucester, which, in this participant's view, created effective networking between those who supported the GGP and those who were opposed to it (Participant 15). This participant explained that, because participants in these networking events had “expressed a strong desire for (AGL) supporting local businesses”, they were an enormous support to local businesses within the Gloucester community, having “spent \$2.5 million each year in the last couple of years” in more than 100 local businesses (Participant 15). Another participant noted that Government representatives had also been invited to Advanced Gloucester's meetings to make presentations on CSG and interact with them. This participant noted that: “Certainly, before it was a one-sided debate, and now it's a two-sided one” (Participant 24).

In relation to links on the opposing side of the CSG debate, these appeared to be somewhat more limited. Some participants did acknowledge that those who consider themselves as fence-sitters or opposed to the GGP, still engaged with its supporters but that was not often the case. As one participant notes: “Certain people are prepared to come along and listen to our (Advance Gloucester) meetings. Other people don't want to come. I can still talk to some of them” (Participant 2). However, the same participant was also critical of the close links between various groups, arguing that: “The Chairperson of Groundswell was on the Council...when some of these gas wells were fracked. Fracking's not new to the area. Fracking was done in 2004” (Participant 2). But, in talking about the anti-GGP interest group, Groundswell Gloucester, he also noted that they were “in bed with the council...Probably, five out of the six Councillors that are against CSG are also members of Groundswell (Participant 2).

7.4.2 Opponents of the Gloucester Gas Project

The two main anti-GGP groups active in the Gloucester region, Groundswell Gloucester and the Gloucester KNAG, largely supported one another in their campaign against CSG. They also used social media to network and gain support from other groups and individuals with mutual interests. Although many participants noted that their campaign against the GGP had caused distress and division, some thought that, although it had brought together a lot of people with common interests that had not previously interacted that much with one another. As one participant explained:

it brought a lot of people to get together, who've got a view of the world which is consistent with trying to do something about environmental issues, global warming and all that sort of stuff. Whereas, before they might have just been stuck to themselves and had their own views...there's a fairly large Greens party that's formed here in a small town (Participant 11).

This was also aided by the decision to bring the many different groups that had formed to oppose the GGP under the same umbrella group, Groundswell Gloucester. One participant explained this decision as follows: “We used to have the BGSPA and GRIP which was Gloucester Residents in Partnership. However, we all decided that we just had too many groups all concerned with the same cause, so we created Groundswell Gloucester” (Participant 16).

Crucially, many Groundswell Gloucester members were also members of other environmental groups on whom they drew for support and expertise. For example, Groundswell Gloucester

had various participants working with the EDO who had strong legal expertise that the group needed to draw on. These participants acknowledged that whilst this work was extremely time-consuming, it played a contribution in ‘stopping AGL in their tracks’ (Participant 13). In addition, internal technical expertise was also very important in Groundswell Gloucester and its operations. Participants explained that this was led by a team of three key members who worked together and shared expertise in agricultural science and risk management, water resources, including groundwater and geology. This technical support was seen as crucial in assisting Groundswell Gloucester’s operations. They were further supported by a local resident who provided legal advice and technical assistance (Participant 10). Finally, there were other groups that supported the cause but wanted to act as one removed from Gloucester Groundswell. For example, Gloucester Environment Group, a longstanding local environmental group primarily focused on river care, was anti-CSG but argued that it tried to “keep non-political” (Participant 10). The participant explained that this “doesn’t mean that we don’t join in even as a group or even write submissions sometimes, to government, but...that group is apolitical...” (Participant 10).

Many opponents to the GGP also emphasised the strong financial links between Advanced Gloucester, the GBC and AGL. One participant described this as a “strong link” that has been created because “a few people in Advance Gloucester think that it’s going to bring financial benefit to them and to certain individuals” (Participant 16). Another participant supported this point:

There are links between Advanced Gloucester and AGL, strong links. But there are financial links between them. There are financial links because they have been AGL funded, and employed partially by Advanced Gloucester, and the GBC. And the two, the GBC and Advanced Gloucester, are people who have certain business requests which would probably have an advantage if CSG proceeds (Participant 25).

This meant that many participants were “suspicious about how much involvement AGL have with Advanced Gloucester” even though there was “absolutely no proof” that there was a direct connection between the two (Participant 10). It was also argued that AGL’s supporters were carefully picked out by AGL because of their business affiliations. In this vein, Lindblom, Culpepper and Vogel have all highlighted the strong links between businesses, big and small. One participant agreed that this was an important part in the way in which business had been operating in the region:

What they've done is a divide and conquer approach. They've picked those people to support them. And developed links with them and use them all the time to tell other people they have support, we have support, we have support, but it's only a very small amount of support, and it's from those people who see a financial benefit for themselves (Participant 13).

These examples and the discussion illustrate Vogel's view about how information and resources can help influence public's perception on such issues. Vogel argues: "the leadership of political challenges to business" can come "primarily from private citizens". He also describes circumstances in which "a number of individuals played a prominent role organising, middle class opposition to business..." (Vogel, 2003, p. 101). Although Culpepper does not emphasise the role interest groups play to the same extent as Vogel, he does highlight how they can bring scandalous issues into the media light, particularly if those issues involve corruption and/or the story is newsworthy, and how these issues can then shape public perceptions (Culpepper, 2010, p. 5). Interestingly, Culpepper also argues that it is only those who have an interest in "the rules of corporate control" that pay attention to "the role of corporate Government regulation and mobilise against these issues" (Culpepper, 2010, pp. 4-5). However, this was not the case in Gloucester as interest group opposed to the GGP had become interested in these corporate issues. Here, Culpepper underplays the role of interest group mobilisation in shaping the public's perception on such issues. This question will be addressed in further detail when examining the role of the media in the GGP in Chapter 7.

The next section outlines community division and the behaviour of residents and interest groups involved in the CSG debate in Gloucester. Supporters of the GGP often explained that anti-GGP residents would not talk to them due to their differing beliefs. They were also responsible for making most of the noise with respect to the GGP and the broader CSG debate. This, they saw as tearing the community apart, disrupting the town's livelihood and damaging its reputation. In comparison, participants who opposed the GGP often expressed sadness at the way in which the GGP had created division within the community. Yet, they believed this was the fault of AGL who had provided false hope for long term residents who were relying on industries such as AGL to bring economic growth and job opportunities to the community. This next section will firstly discuss the perspectives of the supporters of the GGP in relation to protest and community division in Gloucester, followed by the perspective of those who opposed the GGP.

7.5 Protest and Community Division

7.5.1 Supporters of the Gloucester Gas Project

Many residents who supported the GGP reported that AGL was enthusiastic in engaging with all interest groups and working alongside the community. Pro-GGP supporters claimed that they wanted to work with the opposing groups to reach, or at least attempt to reach a compromise, but that this was nearly impossible to do in practice because those opposed to the project refused to speak to AGL. This extended into a view that those opposed to the GGP also refused to participate in any formal consultation processes which many supporters of the project viewed as a reasonable and appropriate forum in which to raise concerns and complaints (Participants 8, 15, 22). As such, many supporters of the project described an attitude of hostility, a refusal to compromise and negative behaviours such as stubbornness, harassment and bullying. For example, one resident reported that some members of the community refused to speak to AGL staff at the Gloucester Community Sustainable Futures Forum (a community forum arranged by Gloucester KNAG and Groundswell Gloucester members). They noted how these members of the community had approached AGL staff in an aggressive way. Once they arrived at the AGL stall, the residents said: "...we will talk to you if you no longer do fossil fuels, we will talk to you if you no longer do CSG...and only if you are providing renewable energy instead" (Participant 15). This same participant also claimed that many of the same residents would turn up to AGL information sessions and attack the AGL staff by interrupting the session with numerous questions: "They come along, and their whole agenda was to put pressure on the facilitator...they are really obnoxious. They are trying to dominate and ruin the process" (Participant 15). Thus, most participants described the debate surrounding the GGP as incredibly divisive, splitting "people, families even, who are for and against" (Participant 3). Similarly, another participant noted an experience in which: "...one [an anti-GGP resident] the other day wouldn't talk to me...She's an old lady but I've known her since I grew up. My mom worked with her!" (Participant 23).

Most, if not all, pro-GGP residents spoke at some point about the protest activities that had been organised by groups opposed to the project with some viewing this as part of a series of planned and targeted activities. As such, many participants discussed the monthly marches that were held by groups opposed to the project in the town of Gloucester. According to one

participant, anti-GGP residents hold "... their little walks once a month, up and down the street, and standing across the street screaming abuse at the shop and that sort of stuff..." (Participant 8). In this vein, other participants spoke about the three or four KNAG that would set up a stall between 9am and 12am every Monday outside the AGL offices in Gloucester town waving signs and knitting their yellow and black garments. In doing so, participants spoke about people being trouble makers and causing a nuisance of themselves. This view was repeated when speaking about how anti-GGP protesters had locked themselves to gates to prevent AGL from gaining access to its property or other high profile locations in the region. As one participant explained:

...down at the School of Arts, or their locations around town, are very unhelpful with people coming into this town. Up here... there's a little pull off side, a rotary developed park with a picnic shelter, it's a lovely little spot to pull up and have a rest and a cup of tea. It's taken over by bloody protesters. Doesn't create a lot of trouble but they target the three entrances to the town. And that's not helpful because if you go and talk to them, they'll earnestly tell you how tourism is going to be the saviour, or how important tourism is and a group of our, bloody, mainly retired old farts, with a huge number of signs and that sort of garbage isn't conducive to tourism (Participant 8).

Other encounters were more personal and occurred during the course of day-to-day life. For example, one participant discussed a time when he had: "got piled up one day outside the news agents by a greenie bloke who lives down here; well, did he go on...the greenies are quite dogmatic, they're aggressive" (Participant 3). Another participant described an incident of aggressive behaviour at the local supermarket:

I know one guy, his son works at the supermarket. He actually got attacked by antis. When he was on the checkout. "Your dad works for AGL". They had a go at him. He said, "That's \$17.50, thanks." He just didn't engage in a debate, which was good. There's personal attack been made, yes. Most of them have come from antis. (Participant 2).

This behaviour was generally viewed as an unwelcome nuisance and a disturbance for the local community and the tourist industry by pro-GGP residents and interest groups. In particular, concern was expressed at the way in which it was impacting on the region's reputation and giving the town of Gloucester a bad name. Thus, those who supported the GGP thought that those opposed to it were making the majority of the 'noise' but that this was also a significant problem for the region. As one participant explained:

The others, opposing it, yeah, they get a bit carried away. They're the ones making most of the noise. They have a march every month. You see stuff written on the road. 'AGL go to Hell'. A

lot of these people work have worked for them (AGL) up here, it's affecting them. They shouldn't have to do it. Shouldn't have to put up with that (Participant 15).

In contrast, a smaller minority of participants, but not an inconsequential number, characterised the debate as “a small minority of greenies making a lot of noise and publicity” (Participant 8). These participants often characterised opposing residents and groups as communists, or anarchists, whose protests were not only inappropriate but also unlawful. In the words of one participant, the “project has received Government approval with input from its regulators, and it has even been challenged in the land of environment court so it should go ahead” (Participant 8). This participant went onto argue that: “I have no problem with people demonstrating, that's our democratic right, but if people try and blockade our activity, that to me, is anarchy”. He further contended that the protesters “are trying to dress it up with...people politics or... community politics, or community democracy...”, but it is simply anarchism (Participant 8). Another participant went onto describe similar views, highlighting his concern about the political views and behaviour of the groups opposed to the GGP. When he was shown the photo image of activism, he immediately reacted by discussing his frustration with ‘green groups’:

The watermelons as they're sometimes referred to. Watermelons is another new terminology, more recently... It means that you're green on the outside and you're an environmentalist... you're a socialist in the inside... or nearing communism. We call them watermelons here. If a lot of these environmentalists had their way, everything would come to a grinding halt (Participant 7).

Many participants also acknowledged that many residents living in neighbouring communities, such as Taree and Foster, opposed CSG and that they would regularly interact and protest with residents from Gloucester who shared their views: “I'd say that it's very one sided all the neighbouring communities. Probably because they're too busy looking after themselves” (Participant 23). Those who supported the GGP often viewed this as indicative of anti-GGP protesters in nearby communities having plenty of time to network, travel and protest. These views were reflected by a local retiree and Advance Gloucester member who expressed frustration and anger at protestors and incomers who, in their view, clearly had “too much time on their hands”:

...there's been an influx of people retiring here, and that can be good and bad, but, some of them are what you'd call green activists and they've got plenty of money, they don't worry about money, they just come into town, like most Sydney people, tell everyone what to do and how to do it. We've only been doing it that way for 150 years. We wouldn't know anything, of course, we're locals (Participant 3).

The view held by this participant highlights the criticism of incomers that also featured in many discussions about the GGP. As detailed earlier, this reflected claims that incomers lacked respect for local citizens and had little knowledge of the town. One local retiree and Advance Gloucester member explained: “I don’t like people who are coming in from outside telling people here how they should live, how they should operate and so forth. I think its rude and it’s not the thing to do” (Participant 7). Another noted that: “Some of the families have been here many, many years, over 100 years. We used to live next door to one, they're fourth generation on the land and these are the people that I take notice of” (Participant 3). In cases such as these, long-term residents valued local knowledge over the knowledge of incomers because they argued that residents who had lived in Gloucester for generations had a greater understanding of the land and the community’s needs. Others pointed to hypocrisy within the anti-GGP movement. For example, one participant spoke about one member of the community who he did not consider to be a local but who opposed the GGP and was often in the media portraying CSG in a negative light (Participant 2). However, when this protestor was given the chance to sell his property to a CSG company, he went ahead and did so. After giving his account, the participant concluded that: “these are the sort of people that I dislike coming into our area... because a lot of them are just playing games” (Participant 2).

In conclusion, this discussion suggests that those against the GGP were creating a great deal of noise in an attempt to draw attention to their cause. In general, this was a cause of concern for pro-GGP residents and interest groups who claimed that it was disruptive not only to the community but also to the local tourist industry. It is important here to consider Vogel’s claim that publicity is important in changing the public’s perception of an issue. Interest group mobilisation, particularly in the form of protest and media reporting on these events, is key (Vogel, 2003, p. 25). The discussion here outlines a great deal of activity in these areas but this is an issue that I will continue to come back to at regular intervals in the discussion below and the Chapters that follow.

7.5.2 Opponents of the Gloucester Gas Project

Conflict, noise and hostility are all factors that were strongly emphasised by participants opposed to the GGP. In their view, the conflict was between people who were concerned about

their economic future and those who are more concerned about environmental and social issues (Participant 1). They also emphasised the lack of acceptance of such incomers by the community, given how their views often differed from those of the long-term residents. Whilst those supporting the GGP tended to blame incomers and protesters for the divisions, those opposed to the GGP tended to blame the extractive industries which they viewed as being responsible for ‘selling’ a ‘false hope’ to long-term residents. As such, opponents of the GGP argued that the industry had “pinpointed the lower social economic groups and given them jobs, handed out money to them which has then slowly put a divide in the community” (Participant 16). Prior to this, most residents had been on the average wage, but, in the view of this participant, what had emerged was a simple choice: “It’s basically jobs versus the environment” (Participant 9). The remainder of this section reviews the perspective of opponents of the GGP on community division and support.

The community division caused by the GGP was a topic that was frequently discussed by those who opposed the GGP as much as by those who supported the project. This often-involved discussions of people who had known each other for a long time but who were no longer speaking to one another. As one participant explained: “It was very heartbreaking when you’ve known people for years and even been neighbours with people and then they turn your back on you and don’t say hello to you” (Participant 16). This participant went onto explain: “(it) tore friends from friends, it’s torn families apart, it’s torn marriages apart. It has such a big social effect on the community” (Participant 16). As such, they described the debate surrounding the issue as “very noisy”:

...it’s just what everyone’s talking about. It’s non-stop... the nastiness has gotten out of hand. People have belittled people, people have abused people...People have physically abused people...people have ripped down signs like for instance on my home every time I put signs up someone comes on a Saturday night and rips them down. That makes you very uneasy about a community what was so caring can have such a divide and so much nastiness and incorrect information and lies about people (Participant 16).

Indeed, one participant noted how the aggression had built to such a point that residents and groups with different views on the GGP never interacted with one another, or only did so in the most extreme of circumstances. When asked a question about whether the two groups mixed, one participant reacted by saying: “No, I don’t think they do. The divide is that great.” (Participant 12). Another participant supported this view noting that those who supported the

GGP were “...not susceptible to reasonable debate...there's no point in trying to influence them” (Participant 13).

At different points during the interviews, other participants described various examples of abusive and aggressive behaviour. The debate was described by one participant as “Very noisy and at times very nasty” in terms of the behaviour of “particular groups... probably particular individuals more than particular groups which is a bit of a pity...” (Participant 9). He further explained that, during monthly street marches: “People who were previously friends are all of the sudden sticking the finger up at each other and swearing at each other face to face. That's bad!” (Participant 9). Another participant argued that aggressive behaviours were being displayed by both older and younger residents alike and ranged from the dangerous through to the more trivial and ‘childish’, such as placing bird poo on the benches where the protesters sit. For example, one participant recounted a story in which: “One of those members came in one day and laughed how they put chook poo where the ladies had been protesting. She thought that was hilarious” (Participant 16). Another common form of behaviour involved boycotting particular stores or businesses, whilst encouraging others with similar views to do the same. In the words of one participant, people were ‘voting with their feet’ (Participant 9).

Whilst some viewed this aggressive behaviour as something that was happening mainly amongst pro-GGP supporters, others viewed it as something that people on both sides of the debate were engaged in. For example, one participant argued that aggressive behaviours weren't just happening by pro-GGP residents and groups but also by those who opposed the project even if it was still the case that pro-GGP residents were doing it more often than anti-GGP residents:

I'm not saying it's just on one side. This has happened on both sides and I think people really needed to have a really good look at how they were behaving. As you said they got emotional about it and there was a tit for tat carrying on. I was absolutely disgusted by it and I am disgusted by behaviour like that (Participant 16).

Another participant contended that it was those supporting the GGP who were displaying these kinds of aggressive behaviour, whilst those who were opposed to it simply ignored it: “That's the only way to win ...They're being too smart for that... They just say ‘Okay. Yup, see you. Bye’” (Participant 9). This participant argued that residents against the GGP had become

“better at it than the other people [who support the project] because they've been able to make themselves more dispassionate” whereas “the other people get themselves so wound up they just go crazy. They can't control what they do” (Participant 9). In elaborating on this view, the same participant contended that the behaviour of Advance Gloucester had “polarised the debate, “...it's two poles and it's divided the town” (Participant 9). He supported this view by citing examples in which pro-GGP residents had driven past people protesting at picnic sites “hanging out of the windows and effing, effing and everything and spitting... stealing and driving over signs” (Participant 9). Thus, he viewed aggressive behaviour as something that was largely coming from those who supported the GGP. Another participant with similar views described how:

A young fellow had his wheel nuts taken off, which we strongly suspect was by Advance Gloucester people. Whenever we have the protests, whenever one of their cars go by they wind down their wind screen and swear at us. We've had cars driven at us. The police have advised [removed] to always check her car on the outside before she gets in it. It's interesting because a lot of people in the community might not feel that is going on, but its only known between the groups that are strongly for and against this sort of behaviour (Participant 25).

Protests, and protest related activities, were also discussed by many participants. One participant described how she had been protesting alone from the beginning of the CSG debate, until she was discovered by groups such as the KNAG (Participant 16). She described how her activities had evolved to include networking via social media as a result of her involvement within this group (see Chapter 7). Whilst this participant noted that the community was quite conservative and did not take well to her protests, some other women who were opposed to the GGP subsequently “warmed up to the idea” and joined with her in protesting against the GGP (Participant 16). These included local members of KNAG, but also women from areas outside the Gloucester region, including from the Northern Rivers region as well as elsewhere. This participant discussed the example of one lady who was previously reluctant to participate but who was now affiliated with both Groundswell Gloucester and the KNAG:

And one lady, she'd go, “I don't know how you could do that or you're so brave.” Then she joined the Knitting Nannas and then she went from sitting there just helping on the store to going on walks with us. Then she started to walk down the lane with us and then she started blockading with us. She found her strength within the Knitting Nannas. She was a normal mom who was quite reserved... then she found courage with what other women were doing who felt the same (Participant 16).

It has already been noted that long-term citizens often did not appreciate incomers who they viewed as responsible for changing the fabric and character of the town; and how this was also

a source of community tension and division. For example, one participant described how many Gloucester residents who could trace their heritage back two or three generations had found the many retirees who had moved into the area as “confronting” (Participant 1). This participant explained this change in the following terms:

Gloucester has a long history of relative isolation just because of its geographic location, and so for a long time, it's been a relatively stable and relatively close community. I think that the rate of change, particularly since the NSW Government restructured the foresting school. The Australian Federal Government deregulated the dairy industry. Both of these happened in the last half of the 1990s (Participant 1).

Some of those who were opposed to the GGP were less accommodating of the views of long-term residents and viewed their attitudes as conservative, selfish and uneducated. For these participants, long-term residents lacked worldly experience. For some, these residents were also viewed as having a ‘chip on the shoulder’ (Participant 19). This was often accompanied by the view that long-term residents were unwilling to understand the points of view of others; often acting defensively because their way of life had already been threatened by previous industry closures (Participant 19). Others questioned why they were not considered to be long-term residents despite having lived in the area for several decades and having raised their children there. As one participant highlighted: “I will never live long enough to be considered a local, but I thought that having had your children go through school here, I always thought that constituted making you a local” (Participant 25). In describing a friend, another participant explained that: “You've raised your family here and you're still considered a blow-in” (Participant 26). Many residents also criticised the view that only residents whose family had been in the town for generations could be considered as ‘true’ residents:

Something I find particularly annoying though is when you get some people who say, well, I'm a fourth-generation dairy farmer, and I think, hoey for you, what did you do? All that person did was inherit the farm. There are others who actually come here, tree changers, who have actually made their own money. They've (fourth generational farmer) done nothing... We've come to the country, made a contribution... just because they are a fourth-generation dairy farmer and they think they've got more rights (Participant 13).

However, others viewed this as being part of a longer trend that had existed prior to the GGP in which a stigma that has developed in Gloucester towards those who stood up for environmental preservation and conservation. As one participant explained: “Years ago, we had a fairly strong timber industry here but gradually the timber gets worn out or locked up in national parks... There's this real anti greenery thing from that so anyone who stood up for the

state forests or national parks were labelled as bad and anti-town or anti jobs...” (Participant 9). The same participant went onto argue:

...people have got very aggressive on topics that they don't know much about, a lot of people. I guess that's the way of the world but for people who don't understand a lot about coal seam gas...If you're not an expert why are you getting so aggressive and pushy on it? That probably happens a little bit on both sides but probably more on the pro coal seam gas side (Participant 9).

Interestingly, those who held these views often argued that any decline in local business was not because of protests giving the region a bad name, but, rather because of poor business strategies, “...we feel that probably most of the shops that closed are closing just because of bad management” (Participant 5). Thus, contrary to the argument above, it was less about protests and the GGP damaging Gloucester’s reputation and more simply about poor business management.

In conclusion, this discussion has raised various questions about the manipulation of volitions. For Lindblom (Lindblom, 1977, pp. 202-203), volitions are manipulated when private enterprise is associated with democracy, and, thus, business interests are viewed as legitimate by the public because they represent their best interests as well as those of the broader community. However, the discussion in this section, suggests that there are limits to this idea. The discussion has also highlighted that there were many “highly resourceful groups of people”, with expertise often “surpassing that of corporate lobbyists and Government officials”, in the groups that were formed in opposition to the GGP (Vogel, 2003, p. 102). Thus, anti-GGP residents and groups were engaged in methods aimed at attacking AGL’s reputation and highlighting wrong-doing in areas such as political party donations, the changing of legislation and the late reporting of contamination. These methods have not been discussed in detail here but I will return to them in Chapter 8. However, what is important for now, is that participants who opposed the GPP focussed their efforts on holding AGL to account, and they felt that they had been successful in doing so. As such, in the words of Vogel, they were able to “produce a tone of moral outrage... criticising the irresponsibility of those who had abused their power and authority and calling upon the public to demand that they be held responsible and made accountable” (Vogel, 2003, p. 103). However, as Vogel and Culpepper highlight, this form of pressure cannot be considered alone when examining the limitations of business

power. The media also plays a crucial role in shaping public opinion through interest group. This dimension will be discussed in further detail in Chapter 7.

7.6 Democracy and Trust: Supporters of the Gloucester Gas Project

Democracy and trust are key themes in the literature on the power of business as well as in the CSG debate across Australia and the GGP debate in Gloucester. In general, the majority of residents who supported the GGP expressed feelings of trust and admiration towards the Federal and State Government. Most of these residents explained that the appropriate regulations and policies were in place to ensure the best possible outcomes could be met for the GGP. Whilst they acknowledged that the political system is not perfect, they also argued that not everybody is going to be happy with the decisions that are made yet the best possible outcomes are being achieved for the greatest number of people. Unsurprisingly, and following on from the earlier analysis, they did not trust groups and residents who opposed the GGP. Consequently, words such as irrational, emotive, emotional, lies and exaggeration, were often used to describe those who opposed the GGP. This section of the Chapter reviews this dimension of the debate in Gloucester from the perspective of those who supported the GGP. Trust is examined across four dimensions, including trust towards: the Government, AGL Energy, other pressure groups, and the community consultation processes.

7.6.1 Trust Towards the Government

Most pro-GGP participants expressed faith and pride in Australia's democracy and the Federal and State Government (Participants 2, 4, 7, 8, 11, 22, 23 and 24). Conversely, those who argued differently only did so because the system was not benefiting them. One participant's view was typical in this respect: "I have a strong faith in our democracy. We have democratic processes in place...but with the 'me generation', who want instant gratification, and everything for themselves, our democracy is not always to their liking" (Participant 8). The participant continued:

It's the system we live in, it's a far nicer system that's currently occurring in Northern Iraq, and Northwest Syria. We have a system in place that has put us in good stead for a long period of time. We enjoy freedoms and rights and part of that is due to the system and you need to adhere to that system, otherwise you become a fractured society which no one wants to be involved in (Participant 8).

Pro-GGP residents also generally trusted that the State Government who, in their view, had taken all the necessary precautions, including regulations necessary to protect the interests of the general population. For example, one participant argued that the CSG industry in Australia and NSW was “the most governed and regulated industry that I've ever seen in my life. Very strictly controlled, everything they do is first class from what I can see” (Participant 3).

However, pro-GGP residents generally expressed negative views towards the local Gloucester Council (since renamed the Mid Coast Council), which had taken an anti-GGP position. As one participant explained, “I don't trust the (Gloucester) Council as they cannot make an impartial decision... They're not representing the community impartially, and that's what they were elected to do” (Participant 2). Another participant supported this view when asked about who they trusted least:

Oh the Greens of course...anyone that's reasoned and moderate in their opinions, we're quite happy with...we just don't want aggressive people ramming lies down our throats. That's the ones we object to. The council here is very bad, but people are saying that it's the worst council in living memory. I sort of don't find them quite that bad, but I must admit they do some silly things and they're very inefficient... (Participant 3).

The same participant talked about the ‘Peter Principle’, explaining that some people rise above their level of qualification as the Mayor is “only an old dairy farmer that's been around for years. All he knows is cows, and he thinks he knows people” (Participant 3). Thus, pro-GGP residents were generally supportive of the existing regulatory structures and the role that the Federal and State Governments had played in developing and implementing them. However, they generally expressed distrust towards the local Council, which they viewed as biased, unrepresentative and acting beyond its remit.

7.6.2 Trust Towards AGL Energy

Pro-GGP participants were also generally respectful towards AGL arguing that it had acted responsibly in the initial stages of the GGP and had done what was necessary to enable the project to go ahead. Whilst some residents acknowledged that AGL’s behaviour in the initial stages of the GGP may have had the appearance of being ‘sneaky’, they saw no alternative to

AGL taking this course of action given that the project was always going to face significant levels of opposition. In particular, this concern about sneaky behaviour referred to a series of wells that AGL had drilled at a time when there was little awareness amongst the local community about the GGP. As one participant explained, this created a poor image for the company yet its actions in this case could nevertheless be seen as reasonable:

The way that companies do it, I honestly think there's no other way to do it. It's not perfect. I don't think I would actually do it any differently than what they do it. It's just not possible. It's a shit task. It's a task that needs to be done.... Even sitting on the sideline with your negative hat on you could say 'yeah, the bastards, they came in under the radar'. I honestly think it was done for a very good reason, so they didn't ruffle too many feathers up straight away (Participant 24).

As such, in general, negative views towards AGL were viewed as nothing more than lies, exaggeration and narrow-mindedness that reflected an 'anti-industry' mentality amongst those residents who were outright opposed the project and who would do whatever it would take to prevent it from going ahead.

7.6.3 Trust Towards Other Pressure Groups

Nearly all pro-GGP participants expressed distrust and a lack of respect towards Groundswell Gloucester with many believing that they acted to manipulate "stories to dramatise" them (Participant 12). As discussed earlier, many viewed Groundswell Gloucester as representing the interests of a group of "out of towners that have moved here recently... they don't know the town, they don't know the history, and they think they know everything" (Participant 8). Although Groundswell Gloucester were a fairly organised group, many pro-GSG participants nevertheless saw them as simply "bloody activists" (Participant 8) and as a "group of people that will never change their heads, hearts and minds" (Participant 24). Further, when showing the image of a protest against CSG on a football field, one participant explained that it made them feel:

Pissed off. I just don't believe that they do all their research. They don't do their research, they don't listen to the results that are put out there. All independent authorities... and you can't get much more independent than the EPA,t and the EPA is the ones that said this is all right. You can't get much independent than... the offices... Offices of Coals and Gas. Right? Chief Scientist Report... They're dramatising, they don't want to listen to the full stories (Participant 2).

Supporting participants also argued that much of the backlash against the GGP was coming from outside of the area, including from Taree. They viewed this as a problem because they were promoting the misinformed view that AGL's operations would potentially contaminate the local waterways, particularly the Avon River. One participant explained that those against the GGP were "making a fuss out of this river, and 95percent of the people who are kicking up a stink about it, don't even know what the river looks like" (Participant 2). Further, another participant emphasised that he only "talk(s) to people that are actually farming on the land because they're the only ones that can give you the real facts", as "the rest of it is just conjecture and made up nonsense" and "distortion to serve their political agenda. It's all political" (Participant 3). This participant explained that: "We don't mind them protesting, but they take over. They just take over the joint. And they lie..." (Participant 3). Similarly, when BTEX chemical were found in wells covered by the GGP, it was described by one resident as "a big scare campaign, run by the Greenies", which "turned out to be complete nonsense" (Participant 3). This was because it was "naturally occurring, but of course the greenies are up in arms, claiming "AGL are doing this" (Participant 3). The ex-Mayor of Gloucester, or, as one participant called her, "the chief Greenie", was described as being "a very smart woman" who "can handle herself" and is "a very good speaker" who can "think on her feet" (Participant 3). Therefore, in this participant's view, it was important to approach her with caution because she otherwise looks like a very nice woman when you meet her personally.

7.6.4 Trust Towards Community Consultation Processes

Pro-GGP participants generally felt that appropriate levels of community consultation had taken place between all relevant stakeholders, including through the Community Consultative Committee (CCC)⁵, which they viewed as welcoming and inclusive (see Chapter 5). In contrast, those who opposed the GGP saw the consultation as 'lip service', a point discussed further below. However, such criticisms were often dismissed as "white noise" (Participant 24). For pro-GGP participants, much of this noise occurred on issues related to pipelines and gas wells. In particular, pro-GGP residents could not see how other residents could have cause to complain about either a pipeline or a gas well on a property that was far away from their own. As one participant argued: "...if it's a pipeline corridor, most of the landholders don't have an issue with it, but you'll have people that are a couple of properties away, and they'll

⁵ A Community Consultative Committees must take place for all State Significant Developments between local communities, necessary stakeholders, relevant councils and the proponents of a project (DPE, 2016).

have an issue with it... You're thinking 'it's nowhere near you, what's your problem?'" (Participant 24). The same participant went onto explain:

We respect the people that want to participate and respect the ones that don't. Fine, but don't then come out and trash the community, talk the region down, put out misinformation out there... We respect you and the companies respect you.... (further) you're telling me I can't have a pipeline going through my place, despite having power lines that supply your house with electricity...it's just hypocritical...

If anti-GGP residents boycotted the community consultations, then it was their choice because they were not contributing to the discussions in a constructive manner. For example, one participant noted that the GBC had been involved in writing various guidelines with AGL, and that both AGL and the GBC met regularly. This participant claimed that whilst Groundswell Gloucester had been invited to these meetings, they were not interested and "didn't want to go there thinking it was going to go ahead" (Participant 15). In the view of some participants, this reflected the desire on the behalf of some residents and groups to "pull everything apart" by continually opposing everything. As one participant put it:

...they're not there to participate in good faith. They're there to disrupt, to corrupt and do whatever. ...these people are just opposing for the sake of opposing, doesn't matter what you put in front of them. That's the frustration of the dialogues been, and the agencies, they find it incredibly frustrating. They just keep putting the information across, put the information across, put the information across, and the opposers' just don't agree with it, don't agree with it, criticise it, don't agree with it. ... you've got people up there that are never going to change their spots, we respect that. Don't have a problem with that, but if you're not going to change your spots, don't trash the bloody place (Participant 25).

This participant compared this approach to that of Advanced Gloucester and the GBC who made a conscious effort to invite industry groups and representatives to their meetings. In contrast, he explained that opposition groups have 'scared away' these industry groups, by harrying and criticising them. Generally, those supporting the GGP argued that this lack of participation had led to a loss of transparency and understanding that was unfortunate but difficult to change in the circumstances.

Pro-GGP supporters also emphasised how this same attitude was reflected in the Gloucester Dialogue, as discussed in Chapter 5. This was a meeting attended by councillors, AGL representatives, Government representatives and key members of the community. According to two participants, despite the fact that AGL wanted a good relationship with Council, the latter decided not to participate in a joint social impact assessment with AGL to which they had originally committed (Participants 8 and 15). The Council also decided they no longer wanted an Economic Development Officer, although they had originally agreed to appoint one (Participants 8 and 15). One resident stated that they sometimes attended Advance Gloucester meetings but didn't "go to Council meetings because I realise that it's all cut and dry before the meeting" (Participant 3).

Interestingly, in discussing democracy and trust many participants also referred to the film *Gaslands* by Josh Fox in the US, discussed in Chapter 2, or made comparisons with previous consultations that had taken place pertaining to the coal industry. In the case of *Gaslands*, one local retiree, who wished to remain anonymous, argued that, "many of the things he (Fox) tried to promote have been absolutely flawed. The film he produced, *Gaslands*, has been banned from a lot of countries" (Participant 8). For many participants who supported the GGP, the film was viewed as misinformation and exaggeration that was aimed towards preventing the expansion of the fossil fuel industry. However, its presence in the interviews suggests that the film did, nevertheless, create a lot of noise and concern. This was supported by one participant who explained that, in relation to *Gasland*:

Well, there is, as I said, an organized, very well organized activist movement that is international, it's not just national... We've experienced it here. And that's the hearts and minds media garbage they come up with (Participant 8).

In other contexts, participants also compared the resistance to the GGP with the consultation processes that had taken place prior to the coal industry locating itself in the region. For example, one participant noted that the level of backlash in community consultations was much greater than in the case of the GGP that when the coal industry moved to the region: "Even with the mines, when they first came, I was involved in that fairly heavily on committees and that at the time. There wasn't the resistance that there is now. CSG is like a cult... It's developed a cult-like mentality" (Participant 25).

It is interesting that the above participants who supported the GGP mostly expressed trust and admiration towards the Government and AGL. Once again, this discussion demonstrates that these participants contend that the best interests of Gloucester, and the people of Gloucester, lies with the GGP and the benefits that such an industry would bring to the local community through jobs and economic growth. They viewed Groundswell Gloucester and the Local Council who suspicious, and as organisations that did not have the best interest of the town at heart, narrow-minded, irrational, uneducated and lacking a vision for the region's future. As such, they were viewed as untrustworthy. They also contended that the fact that opponents of CSG are retired or out of work leaves them with too much time to search for 'problems' to protest about.

In conclusion, Lindblom argues that business enjoys ideological hegemony when its interests are promoted as being in the societal interest (Hodgson and Irving, 2007, p. 101). In the discussion above, the Government and AGL are seen to support the best interests of Gloucester and, as such, their behaviour can be justified because the GGP is 'good for the economy' and therefore 'good for the community' (Marsh, 1983, p. 5). This strongly supports Lindblom's idea about the manipulation of volitions, with the Government associating "private enterprise with political democracy" (Lindblom, 1977, p. 203). The supporters of the GGP argue that it would serve the greater good by supporting the town economically; and, thus, ensuring a more democratic outcome. Most participants had faith in Australia's democratic system and trusted Government to develop and promote decisions that served the best interests of all Australian citizens. Lindblom's idea that business achieves its ends by promoting the idea that "nation, democracy, liberty and private property are all intertwined", clearly resonates in some of the views expressed above and by those who support the GGP (Lindblom, 1977, p. 203). However, Lindblom fails to explain why many people can, and do, oppose business interests; suggesting that their volitions are not manipulated, something Culpepper and Vogel argue is often the case. In this case, such a critical view of business is dominant among who opposed the GGP, as we shall see in the next section, which examines issues of democracy and trust from the perspective of those who were against the project.

7.7 Democracy and Trust: Opponents of the Gloucester Gas Project

In 2014, the NSW Chief Scientist's Report noted that "CSG companies are viewed as untrustworthy by some members of the community in both urban and rural areas", due to companies being "perceived to be in violation of land access regulations; being perceived by some to bully vulnerable landholders; not managing sub-contractors appropriately; engaging in questionable environmental practices; and not reporting accidents to the regulator quickly enough" (O'Kane, 2014, p. 8). The Report also noted that the NSW Government is "perceived by some as favouring the CSG industry for allowing it to proceed in areas where there has been considerable community opposition" (O'Kane, 2014, p. 8). These views were reflected in the significant distrust of the State and Federal Governments, AGL and pro-GGP interest groups and community members that existed amongst those who opposed the GGP. In most cases, most residents and opposition groups argued that Government and business had a strong relationship and interest in seeing the GGP go ahead. As one participant put it "they both go hand-in-hand, the Government and AGL" (Participant 12). In this view, Australia's political system was often described as dishonest, corrupt and lacking transparency, due to what opposing residents saw as the State Government's efforts to do as much as they could to see the GGP succeed. In a similar vein, another participant argued:

I don't trust AGL, I don't trust the government. I don't trust the local groups like Advance Gloucester or the GBC. There's a bit of a list... Well I suppose it's acrimonious. I think we're fighting against a corporation that has huge amounts of money, we've got none, I think we've done pretty well in the debate... (Participant 13).

As per the previous section, this section of the Chapter reviews the trust and democratic dimensions of the debate in Gloucester but, this time, from the perspective of those who were against the GGP. Once again, trust is examined across four dimensions, including trust towards: the government, AGL Energy, other pressure groups, and the community consultation processes.

7.7.1 Trust Towards the Government

Residents opposed to the GGP held generally sceptical views towards the State and Federal Government. However, the reasons for this scepticism and the strength of feeling around it varied between different participants. Some participants thought that their needs, and the needs of the community, were being simply ignored by the Government. One participant expressed their frustration at the way in which their letters to the OCSG and various Government

Ministers, as well as the letters of other residents and Groundswell Gloucester members, had not been responded to (Participant 16). This participant, with scepticism and irony, noted that it was only during election time that Ministers and their assistants were responsive and listening “to the people and their concerns because they want to be voted back in” (Participant 16). But, they continued: “as soon as they’re voted back in, they don’t give a damn what you (the public) have to say” (Participant 16). This was a common view among anti-GGP participants, and clearly resonates with Culpepper’s point that politicians/governments have to listen to citizens on noisy issues if they want to be re-elected (Culpepper, 2010, p. 4-5). Of course, the extent to which their listening resulted into changed actions once they had been re-elected was, at best, a moot point amongst the participants.

Other participants accompanied their frustration with a lack of a response by the Government with their concerns about a perceived lack of regulation surrounding the GGP and the lack of implementation of the current regulations (see Chapter 9). Indeed, for opponents of the GGP, failures against all three of these factors were viewed with a great deal of scepticism. One participant emphasised this point by arguing that Groundswell Gloucester could not trust the Government’s behaviour for these reasons despite Government justifications that they were happening on the grounds of ‘adaptive management’ (Participant 12). This participant expressed their concern in the following way:

...the changing of the operation in AGL development...the Government seems to change it as continues to move forward in this development... What that means is, say... We've (now) got a water management extraction plan. Now, 2008, here we are 2016, going into next year. They've only just put out some water management plan on how they're going to actually deal with this. Is that (morally) right? Is that right? I don't think so. I think that when you allow development, you put regulations in place in the beginning, otherwise you've got to apply and have it all redone again. It changes...They have what we call an adaptive management. When I first read about it, I couldn't believe it (Participant 12).

Nevertheless, some participants did express some satisfaction and relief that the local council had taken a position against the GGP, which they viewed as being justified by what the community wanted to see with respect to this project. Interestingly, however, some anti-GGP participants thought that the Council were too slow to act and had shown weakness by sitting on the fence for far too long (Participant 25). Thus, the motion asking the State Government to buy back PEL285 (discussed above) was introduced much too late for this participant and only because the local Council feared upsetting too many opposition residents and groups

(Participant 25). Thus, this participant argued that it “was probably the most powerful thing they’ve done”, because “they’ve been a bit weak”, allowing a “dialogue charade to take place without complaining” (Participant 25). Another participant expressed a similar view:

I think our Council have stepped up recently. I was horrified at my council at the beginning because of the rezoning issue. I really thought that they would have more of a backbone. I think when any members of your community are being treated in such a way, their livelihoods are being damaged, their health is being damaged they should have stepped up straight away. I expected when I blockaded to have the Councillors there blockading with me. I was absolutely horrified that they didn't. Saying that of recent I'm very pleased of the turnaround. They always have agreed with what we've said (Participant 16).

However, this participant did acknowledge that local council members had expressed fear that they would have been removed from council by the State Government if they had spoken out earlier. As this participant explained, local councillors were asking him: “If we get sacked where do we stand then?” (Participant 16).

Other anti-GGP participants argued that state and Federal Government were simply ‘promising’ from the outset and that there was little that could be done to change this. As such, in their view, the Government did not promote the interests of Gloucester’s residents, or those of Australia’s citizens, but, instead, prioritised the interests of AGL for the sake of economic growth. Many participants viewed this as part of an exchange relationship between Government and business that was rooted in the royalties and tax revenues that the State Government would have received from AGL if the project had gone ahead. As one participant put it: “The Minister and AGL, they’re the two big ones” as “AGL and the State Government are making the decisions” and their relationship is “very strong”, as “the Government are looking for the financial benefit that can flow on from the gas extraction” (Participant 12).

Alternatively, others viewed this relationship even more sceptically as being rooted and founded on corruption and collusion. This sentiment of distrust towards Government was clearly expressed by this participant in their discussion about the relationship between Government and business:

I see the Government as being against us...because time and time again we have pointed our irregularities and how AGL are not being held to account for all the mistakes they're making... It's only by Government collusion... I mean, it's Government Departments who should be fining them and making them keep the laws, rather than changing the laws to suit AGL [on this,

see Chapter 8]...the Greens...they are the only political party who have been supportive of us (Participant 25).

These views of corruption and collusion often extended into a wider sense that the democratic system as a whole was 'broken'. For example, one participant argued that "the traditional; democratic system does not work" and, as a result, activism was the only way to stop the Government from prioritising the interests of business (Participant 7). They believed the "laws and the regulations" are "all designed to achieve the purposes of the mining company" (Participant 7). This distrust towards Government officials is well-expressed here:

Parliament, the Premier and his Ministers, it seems that all they're really interested in is getting money through royalties, that's the number one thing that the Government wants to be able to do, is money through royalties. And so it means they're certainly not listening to what we're saying and we can't even get a meeting with the Premier to tell him what we think and we have met with other Ministers but they are always... they're pro-mining as well. (Participants 10)

In short, there was widespread distrust towards the state and Federal Government amongst those who were opposed to the GGP. The reasons for this distrust varied from an outright belief in collusion and corrupt practices through to scepticism towards the relationship between the Government and the industry. The local council was viewed more favourably than other levels of Government but their actions were also criticised for being too little, too late. The views expressed here were often intertwined with perceptions of trust towards AGL, which are discussed in the section that follows.

7.7.2 Trust Towards AGL Energy

Perhaps unsurprisingly, nearly all, if not all, anti-GGP participants expressed distrust towards AGL and its activities in the region. Some participants noted how this lack of trust had its origins in the period before AGL had bought PEL 285. In particular, they identified major incidents by the previous owners of the licence that had generated concern amongst residents in the Gloucester area. For example, one participant stated that there had been "a couple of major incidents...which made people realise that there is something new about this" (Participant 5). In particular, this resident a "blow-out of one particular well" that caused some residents to realise that "something was not quite right" (Participant 12). Some residents argued that these early incidents had meant that their trust in the industry had already been broken by the time that AGL had bought the PEL and there was "no going back" (Participant 12). Nevertheless, as with the views and perceptions concerning Government, the distrust towards

AGL Energy, as the new operator, also took many different forms and was either more or less pronounced and more or less deep-seated dependent on the participant and their views. Some of the stated reasons for this distrust are discussed below.

In many cases, participants' distrust towards AGL was explained by information that was not only hidden, but which was also exaggerated. In one instance, a local 'tree changer' and retiree who was heavily involved in local oppositional groups and the consultation process, expressed their distrust towards the way in which the information distributed by AGL had been 'spun' (Participant 5). They claimed that the community was being misled by AGL's sophisticated public relations campaign. As one participant put it:

... AGL is absolutely spectacular in their PR machine. They even believe their own PR. What we've had in this incessant PR campaign from AGL are there are no problems, there are no problems, there are no problems, there are no problems. There will be economic development. How many jobs? Oh, eight. There are no problems, there are no problems, there are no problems (Participant 5).

Opposing participants suggested that this 'spin' was the cause of considerable anger and frustration within the community. As such, one participant expressed their deep frustration and concerns towards how AGL's 'spin machine' refused to accept that there were any risks associated with the GGP:

It just makes me feel sick, it's just the bullshit we get from AGL. It's just a very unrealistic view of things, it's all whitewashed and spun. Well that (risks to water and the environment) should be an area where we get a full-on debate, you don't get it... and the thing that I found quite offensive is the fact they spin everything, everything is in that kind of happy, wonderful... (Participant 13).

This spin was also reflected in discussions about land access. For example, one participant contended that the claim by AGL that it did not force its way onto properties was simply 'spin', because AGL had already purchased the properties that they needed before the GGP project had received stage one approval (Participant 7). In response to this question, another participant emphasised a point:

That's cute. It's cute in Gloucester, but for a number of reasons. One is, it's not only about the person who's land it is, that's not the only interest involved here. It's the people around and when the frack and carry on activities, it effects the water table, and effects the environment well beyond the farmer's land, so it's not just a matter of that farm. Secondly, in Gloucester, most of the land is owned by either AGL or coal mining companies, so there are very few farmers who are really going to be affected. But it's more than that, it's what they don't say; they don't let the

community have a say in it. And the community is affected as much as the individual farmer. If they see gas somewhere where they really want it (they will get it) ... (as) what they say is not legally enforced anyway in the Memorandum of Understanding (Participant 13).

The Memorandum of Understanding, discussed by this participant and referred to in Chapter 5, is not a legally binding document between the landholder and the company, but, as another participant explained, a document that exists to demonstrate the company's claim to social responsibility (Participant 7). This bears upon an important point made by Vogel, who claims that Corporate Social Responsibility (CSR) is an important constraint upon business power. However, one participant questioned whether the Memorandum was an actual example of AGL acting in the community's best interests by highlighting that, in this case, AGL had already done their negotiations with landholders to acquire access before the GPP was approved (Participant 13). As such, they argued that the Memorandum of Understanding does not affect AGL's right to "legally force their way onto a property if they needed to" (Participant 13). In this context, opponents of CSG see the Memorandum of Understanding as a way for AGL to claim it has exercised corporate social responsibility when, in fact, the broader community hadn't been consulted on this issue or others that it deemed important. As such, this same participant questioned AGL's CSR agenda explaining that, prior to the approval of the GGP, "particularly with the pipeline and things like that, we got the understanding that they were being quite aggressive with the way they were approaching that" (Participant 13). A similar point was also made by another participant who argued that this process of land access and land purchases often involved bullying on the part of AGL and its employees (Participant 14).

These concerns also related to a series of issues and concerns pertaining to transparency and misinformation with one participant expressing frustration about the way in which AGL had failed to keep the public informed of its plans. However, that also extended, in some cases, to the supporters of the GGP being led to believe the wrong information regarding the project's economic benefits and employment prospects:

They're planning on setting up a working camp somewhere in the Gloucester district or maybe just over the border in the great lakes. They'll be sort of an out of town camp so all those people that we thought were going to be employed in Gloucester and take their kids to school there and stuff no, they're going to be outside of Gloucester. A very big concern... That's why we ask "Can you make clear exactly what we're going to get out of that. (Participant 9)

A participant described this as AGL staff trying to ‘sugar coat’ everything in a process through which AGL staff were constantly “try(ing) to calm the rest of the community” (Participant 16). For example, this participant spoke of his experience speaking with AGL staff in which he was told that “only household chemicals they’re putting down (the wells for fracking). Don’t you worry about it” (Participant 16). However, the same participant emphasised that it was, actually, “a lot more than household chemicals. You find out how many tons of household chemicals they’re putting down” as well as “how many times they have to frack a well to expand the coal seam...as I say to people, they sugar-coat everything” (Participant 16). Some residents, opposed to the GGP, believed that it was the conservative and longer-term members of the community who were more likely to be susceptible to AGL’s attempts at ‘sugar coating’ information with one viewing it as a direct ploy by AGL and the Government to take advantage of certain residents who were gullible and easily swayed (Participant 16). As they explained:

Those staff are there and designed to make it all sound like that picture-perfect to somebody...I’ve always said to people on Gloucester Groundswell every time they ran a tour we need one of our members on it because people are so gullible...They are all that naïve they all go, “Yes sir, no sir, three bags full sir... I agree with him because he wouldn’t lie to me.” I think the Government and AGL have picked this place because of the naivety... They have picked it because of the demographics. These people are national people, these people are country people (Participant 16).

Finally, the distrust felt by anti-GGP participants also stemmed from who AGL had chosen to conduct their scientific studies. One participant explained that residents opposed to the GGP “didn’t see any of their scientists as being independent”, as there were too many examples “where the consultant’s conclusions fit very well with what AGL want” and “the reports are being written a certain way to fit the outcome” (Participant 10). As such, many participants did not trust these studies. As the same participant noted: “I spend a lot of my time reading their (AGL’s) detailed reports”, as “its complex geology, highly variable geology”, which, they claimed that AGL, and its consultant scientists, did not understand properly (Participant 10). Further, in their view, AGL claimed that they had “knowledge about the whole pipeline, fracturing, and how far it goes”, but they were not convinced that this was the case because they had been constantly changing their information on these questions (Participant 10). As this participant noted: “they were saying fracking only goes 30 meters into the side of the well, and that’s not true, it goes 200 or 300 meters inside the well” (Participant 10).

Overall, opposing participants suggested that AGL not only took advantage of their exchange relationship with the Government, but also used PR techniques and ‘sugar coating’ to try and convince the community that the GGP could be conducted safely and without risk. Some participants also suggested that AGL had deliberately left information off the agenda. Here, it could be argued that AGL were attempting to manipulate the volitions of members of the community in Gloucester. Nevertheless, the continued contestability of this issue was reflected in the continued lack of trust that was shown towards AGL by those who were opposed to the GGP.

7.7.3 Trust Towards Other Groups

Overall, participants opposing CSG were highly suspicious of the behaviour of Advance Gloucester and the GBC. They argued that AGL simply needed to say to these groups “Come over to our side we’ll line your pockets” and these supporting the project “would come running”. One participant argued that these groups did not want to “advance Gloucester in a way that suits all members of Gloucester, not just a select few” (Participant 16).

However, connections also existed between residents who opposed the GGP and other groups who were opposing CSG developments in their region. For example, links existed between anti-GGP participants and anti-GGP groups in Taree, which is a town on the Mid North Coast of NSW. Groups in other areas were often described as being more aware and “more open to have a look at the pros and cons” (Participant 10). In contrast, and as noted elsewhere, many conservative Gloucester residents were judged as being “very narrow-minded and conservative” and holding a view that “the Government will never do anything to hurt us, AGL would never do anything to hurt us!” (Participant 16). Thus, trust between other pressure groups did exist where both groups were aligned in their opposition towards CSG. However, there was a distinct lack of trust between pressure groups that supported the CSG and those that were against the project. This discussion only briefly outlines these differences because they are prevalent throughout the discussion in this chapter and in other chapters. But, they were views that also filtered into how pressure groups opposed to the GGP viewed the community consultation processes that had been implemented in Gloucester.

7.7.4 Trust Towards Community Consultation Processes

Many anti-GGP residents and groups expressed frustration at the community consultation processes viewing them as insufficient and deficient on a number of levels. As such, they believed that the community had been deliberately left out. This raised distrust towards other consultation processes with a number of participants believing that there was little point in engaging in them because the Government and AGL had already proven that they could not effectively consult when it came to issues related to the GGP. One participant discussed how this lack of consultation had caused a lack of trust to develop within the community from the very beginning of the project (Participant 10). This participant complained about limited consultation processes that were unduly complicated and undemocratic. They went onto explain:

You've got these huge number of conditions that they're acquired to abide by and signed off by the ministers, and there's no kind of way in which the community can effectively involve themselves and know whether or not they're actually being met. It's very undemocratic (Participant 10).

As discussed earlier, one part of this consultation process has been the Gloucester Dialogue. A participant explained the Dialogue in the following way:

The Gloucester Dialogue is a meeting between Council, the proponent who is AGL in this case, and the Government regulation people, so also CSG, Department of Resources and Energy, and the Department of Water. They come up usually about once a month and we all make council changes and flush out any issues in the community. They're probably a good source of that and we also have independent experts come in if we need to for verification on subjects (Participant 9)

As such, this participant viewed the Dialogue as an opportunity to remain informed, rather than one through which the community's voices would come to be heard. This view was supported by another participant who argued that: "if AGL writes a list of what they call community consultation, then it's huge...[but] their so-called opportunities for consultation are more...ticking the boxes" (Participant 10). Another participant raised different but related concerns, noting that: "We have Government people on this Dialogue and they call it consulting, but it has to be earlier. The consulting is too late" (Participant 12). This echoes the earlier sentiment about consultation taking place too late in the process. It also aligns with the conclusions of the NSW Chief Scientist's Report, which stated that:

There is concern about lack of adequate and respectful consultation. Stakeholders cited the failure of industry proponents and Government agencies at all levels to engage, provide

information, communicate and address community concerns before proceeding with development. (O'Kane, 2014, p. 7)

As such for those who opposed the GGP, processes of community consultation were really only for show and to pay 'lip service' to consulting the community. However, some who opposed the GGP still remained involved as they viewed it as another avenue through which they could be kept informed about the project.

In conclusion, many anti-GGP participants believed that community consultation processes were largely ineffective and just another method of 'ticking boxes' to justify Government-business decisions. This relationship is, of course, highlighted by Lindblom who contends that Government and business do not need to persuade citizens about the 'truth' of their views on grand majority issues, rather they only need to keep them off the agenda (Lindblom, 1977, p. 211). So, rather than allowing for a plurality of ideas and opinions, grand majority issues tend to involve some manipulation and control by business over the public realm (Marsh, 1983, p. 4). However, although it would appear that the Government and AGL would have preferred to keep the GGP issue off the public agenda, this discussion suggest that they have largely failed to do so. In this case, these citizens were 'stirred' and were deeply concerned. This raises further questions about Lindblom's arguments that will be brought into sharper relief in the Chapters that follow.

7.8 Conclusion

This Chapter has drawn on rich interview data to explore the views of the interest groups who both supported and opposed the GGP in Gloucester. Democracy and trust were identified as core themes in this debate. Pro-GGP participants were more likely to trust the Government and AGL on this issue, further suggesting that they saw the interests of the Government and business as being in the best interests of Gloucester and its residents. This finding appears to add some support for Lindblom's idea about the manipulation of volitions. However, the views of anti-GGP participants was diametrically opposed; they had little faith in the Government or AGL on this issue. This lack of trust motivated anti-GGP groups to scrutinise AGL and the Government in detail, revealing what they saw as their misdeeds, and, thus, generating further noise, interest and concern about the project.

The key point to emerge from this discussion is that there is no doubt that the GGP was a ‘noisy’ issue. In that context, it is also clear that AGL’s relations with the Government were ‘out in the open’ and both AGL’s actions and its relationship with Government were exposed to ongoing critique. There is clear resonance here with Culpepper’s argument that the ‘noise’ caused by public concern on an issue forces Government to respond to such issues, bringing them into the light and onto the public domain, which has a constraining effect on business power. However, this noise was also amplified by media attention on the issue, which is another important dimension that I will address in the Chapter that follows.

CHAPTER 8

THE MEDIA, PUBLIC DEBATE AND THE GLOUCESTER GAS PROJECT

8.1 Introduction

This Chapter analyses the role of media reporting: what was reported by the media and how participants perceived the media and its role in influencing the debate and outcomes pertaining to the GGP. The specific focus is on the print news media, rather than other forms of news media such as television or radio. More specifically, the Chapter presents the results of the content analysis of Australian newspapers as well as participants' views of the media and its role drawn from my semi-structured interviews. It also briefly discusses the role played by social media. The overall argument of this Chapter is that the media played a powerful role in influencing the debate on CSG in Gloucester, and, thus, contributing to AGL's decision to withdraw from Gloucester. Based on the results from the content analysis, I find that key national and state outlets were more anti-GGP than pro-GGP. To the extent to which one can draw conclusions from how the GGP was reported in Australian newspapers, their effect on public opinion and AGL's eventual decision to withdraw from the GGP, this would suggest that the media would have limited the chances of AGL deciding to transition beyond the exploration stage.

The remainder of the Chapter reports on the results from my interviews as to how participants – both supporters and opponents of the GGP – engaged with the media and what effect they thought that such reporting had on public opinion and decision-making pertaining to the GGP. Whilst residents who opposed the GGP had a good relationship with the media, those who supported the GGP did not have the same relationships, spent little time working with the media and generally argued that their position was under-represented in the media. I also find that my participants did not view the local media as having any significant influence on the debate concerning the GGP whilst they viewed state-based newspaper outlets with large distribution networks as having a much more important impact on public opinion. Anti-GGP residents were also able to secure media interest due to the existing relationships that they had with journalists and the media. Overall, I argue that interest groups opposing the GGP were incredibly strategic

in forming relationships with the media and reporting scandals as these groups viewed it as an opportunity to influence the local as well as national debate about CSG.

It is important to note that this Chapter in large parts serves to provide a context for chapters 9 and 10 that follow. This Chapter provides a media analysis from 5 major newspapers, thus providing an overview of media coverage of the issue and the bias involved in the coverage, as well as presenting the views of pro-GGP and anti-GGP residents on the media. This provides a context for Chapter 9, which examines three media scandals in detail; scandals which were discovered and presented to the media by anti- GGP residents. As such, Chapter 9 details the relationship between anti-GGP interest groups and the media and their ability to limit AGLs business power. Newspaper articles, content analysis and participant interviews are used as data sources for analysis of the analysis of the media scandals and their capacity to limit AGLs business power. However, the data suggests that the media linked to interest group mobilisation, was not sufficient cause of AGL's decision to pull out of the GGP" and argument developed in Chapter 10.

Chapter 10 focuses on the changes in oil and gas prices, together with AGL's fluctuating share price, to show that AGLs decision to exit the GGP was also strongly influenced by economic factors. In addition this Chapter also establishes that the three media scandals, outlined in Chapter 9, also appeared to influence AGLs share prices.

This Chapter proceeds in four sections. First, I present and discuss the results of my content analysis of Australian newspaper coverage of the CSG debate with a particular focus on news reports that mentioned Gloucester or the GGP. Second, I report on my participants' views as to the media focussing on the views of those who supported the GGP before, in the third section, doing the same for those who were against the GGP. Finally, in the fourth section, I briefly report on how my participants described their use of social media. I find that many of those opposed to the GGP used social media to recruit, network and generate publicity around their cause.

8.2 Coal Seam Gas and Media Coverage

As outlined in Chapter Six, I undertook a content analysis of five Australian newspapers with articles drawn from the database, Lexis Nexis. A print newspaper study is a reliable source for my media study on CSG in Gloucester. This is because, firstly, print media is able to reach wide audiences. News stories often represent interest groups and actors on controversial news

topics, usually illustrating multiple perspectives of a debate. Also, importantly, the legitimising role of journalists means that news stories are carefully selected, as well as the actors in which they choose to publish news articles (Fawcett et al., 2018, p. 141). CSG in Gloucester was certainly a controversial and multifaceted topic and was illustrated within major Australian newspaper and therefore, was an ideal analysis for identifying news coverage and news bias.

In undertaking this study, I aimed to explore media coverage pertaining to the CSG debate in Gloucester from the time AGL purchased PEL 285 until the period immediately after their decision to exit the project. Five Australian newspapers were analysed: *The Age*, Melbourne; the *SMH*; *The Canberra Times*, *The Australian*; and the *AFR*. The search terms and process for selecting the articles are outlined in Chapter 6. However, in brief, articles that contained keywords relevant to CSG, and a reference to Gloucester, or the GGP, were analysed for whether they were pro-GGP, anti-GGP or neutral. Table 7 presents the results from this analysis.

Table 7. Content Analysis of Five Australian Newspapers

	The Age	The Sydney Morning Herald	The Canberra Times	The Australian	The Australian Financial Review	Total
Pro-GGP	1	3	2	28	20	54
Anti-GGP	13	109	18	3	3	146
Neutral	15	23	9	28	81	156
Total	29	135	29	59	104	356

As Table 7 shows, the *SMH* and the *AFN* produced the largest volume of articles, with the 135 and 104 news reports respectively. Notably, 109 of the articles in the *SMH* were anti-GGP, and only 3 were pro-GGP, with 23 being considered ‘neutral’. The other major reporter on the CSG debate, the *AFR*, was mainly neutral when reporting on CSG issues in Gloucester. Out of the 104 articles that it published on CSG, 81 articles were neutral, whilst only three were anti-GGP and 20 were pro-GGP. As such, most of the articles published by the *AFR* tended to maintain a neutral tone by presenting views on both sides of the debate. Now turning to the remaining three newspaper outlets, *The Australian* published articles that were mostly pro-GGP or neutral, with only three presenting as anti-GGP. In comparison, both *The Age* 15 neutral

articles, with 13 anti-GGP and only 1 pro-GGP whilst *The Canberra Times* published 18 anti-GGP, 9 neutral and 2 pro-CGP articles.

Overall, the results are interesting, particularly those from the *SMH*, which, being a NSW newspaper, is likely to have a much higher circulation in Gloucester than the other newspapers considered here, a point easily confirmed by a visit to the main newsagent in Gloucester where the volume of sales in the *SMH* was stated to be at least five times higher than any of the other newspapers in this analysis. With such a high proportion of articles being anti-GGP in the *SMH*, it could be argued that the views in this newspaper are more likely to influence the public's perspective in Gloucester, and the GGP, as well as help ensure that the issue remained a 'noisy' one given that the *SMH* was also one of the most frequent publishers of newspaper articles on CSG and the GGP. It suggests that, as per Culpepper and Vogel, that media coverage can interact with interest group mobilisation to pressure the Government to at least have to take notice of the issue. This interpretation is supported by the views of participants who argued that media coverage helped to influence the CSG debate, as we shall see in the section that follows.

8.3 The Role of the Media: Supporters of the Gloucester Gas Project

The media was seen as playing an influential but negative role by supporters of the GGP by giving an undue preference towards sensationalism, newsworthiness and sales (Gloucester Advocate, 2014b). In contrast, those who opposed the GGP believed that they were granted considerable recognition because of their relationship with the media and because they were effectively demonstrating that CSG had negative effects. In their view, the media was simply reporting the issue for what it was. This evokes arguments in the literature on business power in two ways. First, it is at odds with the common argument that the media supports business on issues which directly affect the latter. Here, it appears as though the media was opposing the CSG industry in a number of important respects, although this was unevenly distributed between different news media sources. Second, it largely confirms Culpepper's idea that low salience issues can become high salience issues as result of scandals and resulting media awareness, which consequently limits business power. This latter issue is the one that I explore in further below.

All participants who supported the GGP argued that there was certainly a lot of interest in the reporting of conflict in the town but some pointed to how this was a more recent development. For example, one participant noted that “when Lucas Energy had it, they actually fracked holes before AGL and all of them” (Participant 2). This participant argued that this was interesting because there was no “... animosity towards it. People just accepted it...there was no publicity about how bad it was then” (Participant 2). However, since the GGP gained more media attention, most of the coverage on the GGP had been biased at least according to those who supported the GGP. Specifically, one participant shared the view of a number of others in arguing that: “There's been many opportunities where we (who support the GGP) have been asked to respond...and we've responded, and it hasn't been printed” (Participant 15). Those participants who supported the GGP conjectured that this was because their perspective on the debate “wasn't newsworthy” (Participant 15). As the same participant put it: “It's really disappointing when the media prints information that's not fact. Even when you bring it up, they won't reprint and say 'we made a mistake'. They just let it go.” (Participant 15).

Others argued that, rather than being ignored, the media was just dramatising debate that only served to disrupt the community in Gloucester. Several participants made a particular point of singling out Alan Jones (see Chapter 3), a renowned Australian media broadcaster and strong advocate against CSG. During a television interview, he was described as “screaming at the then Premier, which I thought was disgusting manners” (Participant 8). This reflected a general view that “...the media generally, they just love a fight. They thrive on this sort of stuff. And, of course, they have been, in our opinion, unbalanced in the way they report” (Participant 8). In this vein, another participant explained that the anti-CSG lobby utilised this aspect of the media:

They know when the media is turning up, and they dramatise, they get all the people out. They get the Mayor in the media, and some of the Councillors. It was really, really bad when they had the protest camp here. When they were doing the actual pilot wells. When they fracked the pilot wells, that was terrible. They play the game, yeah. Some of the people that were pushing it here are actually at Narrabri now... (Participant 2).

Additionally, all participants were concerned about the effect that negative media reporting was having on Gloucester's reputation. As an example, one participant discussed how the media was portraying Gloucester as a mining town which was being destroyed, rather than as

a place where there was an opportunity for families and retirees to come to live (Participant 23). So, in their view, the media coverage was having a negative impact on Gloucester's image and future. Another participant supported this argument, noting that: "I just think it's unfortunate that there is so much negative publicity media out there, because this is a beautiful spot, and this could be very vibrant, with lots of visitors coming to town" (Participant 15). Others noted their particular anger at the *Sydney Morning Herald*, which presented news articles that only focused upon protesting. In this vein, one participant argued: "that's mostly what makes the headlines because the media only presents negative stories that will sell papers, rather than "a happy dairy farmer"" (Participant 1).

Many pro-GGP residents also explained their relative lack of presence in the media as a consequence of not having the time to make the necessary connections with journalists. In contrast, they compared this with those who opposed the project who were often retired and had 'more time on their hands' (Participant 15). Whilst the NSW Business Chamber had put out some media releases supporting GGP, they had not been able to gain the same traction as opposition groups in the news cycle (Participant 15). Certainly, in the view of the activists supporting GGP, the media was crucial in generating negative publicity about AGL's GGP and, in the view of some, it could be seen as playing a direct role in their subsequent withdrawal from the project. The next section examines these arguments and the role of the media from the perspective of the opponents of the GGP.

8.4 The Role of the Media: Opponents of the Gloucester Gas Project

In general, those opposed to the GGP argued that the news media was vitally important to their campaign because it helped them generate publicity and awareness around their cause. Different news media outlets were also viewed more or less favourably by those opposing the GGP. For example, the *SMH* were viewed as taking a supportive and incredibly helpful towards their cause. In contrast, many participants spoke negatively about other news media outlets, such as the *Daily Telegraph*, emphasising, in the words of one participant, that they had "strategically made a decision to refuse to talk to them [because] their paper runs a particular line" (Participant 13). This participant continued, "the *Sydney Morning Herald*, even if they're doing another story which is out of favour, it's a balanced story. The *Daily Telegraph*, it's just trash, and we said, we don't trust you because you pretend it's a balanced story" (Participant

13). This participant's view was that the *Daily Telegraph* were biased in their reporting because they had a vested interest in mining projects like the GGP. As one participant argued: "the media works with who owns the media and what vested interest the person who owns the media has; as in whether they also have money in mining and gas..." (Participant 16). Thus, many participants even emphasised that they would not spend their time being interviewed by the *Daily Telegraph* who were "no help at all, as they are biased. They always finish off with the Advance Gloucester... that's a bit lopsided there, as it will have an impact and that will be the lasting effect on the general public" (Participant 16).

Most participants admitted that they had got a lot of 'air time' with some news media outlets because of the strong relationships that they have formed with them. So, one participant explained that they had achieved: "really good airplay from...the *SMH* ... and, if we want to make press releases, we can be quite sure that would make it into both newspapers" (Participant 10). All of this coverage was viewed as advantageous and a key tool through which those opposed to the GGP could damage AGL's brand. As another participant commented, opponents to the GGP "had at least a dozen *SMH* articles over the last couple of years. And that's been good, because we haven't had the money to do anything else, we don't do a four-page advertisement in the *Sydney Morning Herald*, it's \$750,000" (Participant 13).

The relationships that were formed with specific journalists were also identified as being particularly important by opponents of the GGP. One participant explained that he had developed a "close relationship with Peter Hannon [a journalist with the *Sydney Morning Herald*], and whilst Peter Hannon goes a little bit too far sometimes, but overall...absolutely, very supportive..." (Participant 10). The participant then went on to describe how he had formed this relationship with Peter Hannon after "spending a lot of time with media matters, doing media releases, helping generate issues for the media" (Participant 10). As such, opponents of the GGP had taken time to develop "contacts with the *Sydney Morning Herald*, the *Newcastle Herald*, and other places" explaining that their "main tactic was to provide issues that would attack AGL in the media" (Participant 10). This participant explained how this linked with their broader activities against the GGP, including "attending meetings with people like the Energy Minister, the Head of the EPA and those kinds of organisations", helping to "draft submissions for Government, draft documents with the Environmental Defenders

Office” and more general volunteer work for Groundswell Gloucester (Participant 10). Fundamentally, this relationship between the anti-GGP groups and the media was crucial in ensuring that the former could influence public opinion and ensure that the issue remained on the media’s agenda. Through this they hoped that they would cause damage to AGL’s brand. As one participant summarised, their “main tactic is to provide issues that would attack AGL in the media” and forming relationships with journalists and media outlets was an important way in which they could deliver against this aim (Participant 13).

8.5 Social Media

Different attitudes to the use of social media existed, although, all participants acknowledged that it had been a crucial tool for those groups opposed to the GGP as it provided a means for them to communicate, network, recruit and publicise their cause. Many participants who supported the GGP held generally negative views towards social media viewing it as a place where people often made nasty, childish and negative comments. In contrast, many participants who opposed the GGP argued that social media was a tool which allowed their voices to be heard and which enabled networking to take place both within and between different interest groups. In their view, this awareness and ability to network and mobilise was a fundamental feature of the way in which the debate about the GGP had evolved and the movement against CSG had organised itself.

In general, for those opposed to the GGP, social media was seen as a tool used to mobilise interest groups and connect with protesters from outside the Gloucester region who shared a similar cause. Supporters of CSG saw this as largely disruptive to the community, and, thus, unwelcome. As one participant explained: “...they come in from Taree and up North... they have brought them... They get on social media and tell them what's happening and get down here, you know; and they pour in here.” They also “march up the street or they'll be down in the park there when the markets are on, really pushing their barrows sort of thing” (Participant 3). Another participant explained how protests and blockages were all organised via social media: “...they realized what I was doing because people put things on Facebook and then I had people contacting me, “How can I help? What can I do?” (Participant 16). Thus, social media was a useful tool to promote the ideas of interest groups and to facilitate interest group mobilisation; a particularly important aspect of both Culpepper and Vogel’s work, which

stresses the role of interest groups in promoting their agenda through effective mobilisation, such as use of the media (Culpepper, 2010, pp. 7-8, Vogel, 2003, p. 65). This point was made particularly forcefully by one participant who argued that:

...eventually I had to get onto Facebook because it actually updated you on so many issues. The interconnection it has with groups is fantastic. Like Northern Rivers will send things down to us which are appropriate, Narrabri will send stuff over to us, Camden will send things and vice versa. It keeps us all in the loop, social media. Yes, and it makes you feel like you're not actually by yourself...I thought I was the only person in the world who had a problem with it (CSG) (Participant 16).

Other participants argued that social media was an important forum because it was anonymous and, thus, it allowed people to say what they wanted without fear of recrimination. In their view, this gave people the courage to be more outspoken than they would have been in person and get away with more than they could in public. However, some also viewed this as a danger. As one participant explained: "It's just there for them. It's their platform. So, you don't know, who they are. It's anonymous. They can get on there and say whatever they want!" (Participant 15). Some of these participants also shared their negative views of how some of those who used social media had divided the community into 'two camps':

Social media has got really nasty. From the people who have been using here have got nothing to be proud of... What's tending to happen is that the people who are anti coal seam gas put their arguments out there and they're usually well thought out and they publish them and put them online and stuff like that but then they get sniped at on social media by the anti's. It's so bad that it's become this... that camp and that camp but that's how it is. The anti's haven't got a lot of evidence to back up some of their things so they relied on personal attacks and some very, very personal attacks (Participant 9).

Similarly, another participant asserted that "People get carried away with their comments...[and] have problems with anger management" (Participant 12). Others also commented on the personal threats that they had suffered on social media. Some participants noted that threats like these was the reason why they had decided to stay off social media and because "it can play havoc with your mental health, if you want to read all that sort of thing. Social media is a place where people just get in there and, as I said, lose control" (Participant 12). Given this perception, the majority of supporters of the GGP argued that they did not use social media because they did not like it and they viewed it as a cause of trouble within the community. Yet, others, particularly those who were opposing the GGP, viewed social media as platform that had opened up a debate and played an important role in helping them to win

the argument against the GGP and CSG. This view was exemplified by the following participant:

I think what we've done, and I think we've won this issue is we've been so good with money, we've had the social media, twitter, Facebook, stuff like that, whereas some of the other groups, Advanced Gloucester don't even have a website or a Facebook page, don't seem to be into that sort of stuff. And I think that's been very important to get the message out. We've made contact through that with a lot of the other groups as well (Participant 13).

In conclusion, despite the large proportion of negative response to the use of social media, it certainly assisted interest group mobilisation. It was also particularly important for those who were opposing the GGP who viewed it as a means through which they could influence public opinion, recruit members and allow information and/or opinion to reach larger audiences. This is interesting considering that both Culpepper and Vogel emphasise that those groups who can get their stories into the public arena, particularly stories that highlight scandal and immorality, will often gain sympathy from the public and thus have an influence over the public agenda and public opinion (Culpepper, 2010, pp. 6 & 147, Vogel, 2003, pp. 101-102). This, according to Culpepper, consequently forces politicians to listen to the views of the populous, if they wish to be re-elected, and, thus, influences the political agenda by potentially limiting business power (Culpepper, 2010, p. xv, Vogel, 2003, p. 101-102). These are all issues that I will explore at further length in Chapters 9 and 10.

However, social media was also played an important role, particularly amongst groups opposed to the GGP. This draws on the work of Vogel who identified recent changes that had contributed to the prominence of interest group mobilization, including “the emergence of new technologies that significantly lowered the costs of access to the political process” (Vogel, 2003, p. 103). Whilst Vogel stressed the impact that computer-based direct mailing had on allowing interest groups to source recruitment and support, this function has now been largely superseded by social media (Vogel, 2003, p. 103). Nevertheless, what Vogel certainly highlighted was how new forms of technology had assisted interest groups in allowing their ideas to be heard by large audiences, without the role of the journalist as an intermediary. In a similar way, new forms of technology have evidently assisted interest groups opposed to CSG, as it has other groups across the world, enabling “them to accomplish their advocacy and organisational goals” (Jonathan et al., 2012, p. 1). This discussion has provided important

evidence that this was the case, particularly for those residents and interest groups that were mobilised against the GGP.

8.6 Media Influence and Its Impacts

Lindblom contends that issues that concern the public are only secondary issues, as discussed in Chapter 2. In his view, grand majority issues related directly to business interests are deliberately left off the agenda and will generally remain off the agenda (Lindblom, 1977, p. 142). However, this argument suggests that business power is static and stable; a point that Vogel pinpoints as a major weakness in Lindblom's work (Vogel, 2003, p. 6). In Lindblom's view, the position of business on these grand majority issues are also supported by the public, given the ideological hegemony of business; in other words, what is good for business is also perceived to be good for the economy (Lindblom, 1977, p. 202). However, in this case, Lindblom's assumption that grand majority issues are kept off the agenda does not appear to hold, largely because of the influence that interest group mobilisation and the media had on public perceptions of this issue and the 'noise' that was generated by those who opposed the GGP. As such, the discussion presented here suggests that the media can turn an issue that has been kept off the agenda into one of great public concern (Vogel, 1983, p. 24). If so, it would follow that Lindblom's idea about grand majority issues fails to acknowledge the important role that the media plays in allowing a secondary issue to become a grand majority issue, or how an issue of low salience can become a high salience issue. Importantly, it was this noise that then became a powerful tool in opposing AGL and damaging its brand.

In short, the discussion here suggests that the media has influenced business power through changing public perception, and that public interests, on some issues, can, indeed, override business interests if they are noisy enough. It also suggests that the news media continued to occupy a "central place in modern democracies", as, in the words of Culpepper, it provides "politicians with an indicator of what is important information citizens are getting and what stories reporters think are newsworthy" (Culpepper, 2010, p. 7).

8.7 Conclusion

This Chapter has demonstrated that the media, coupled with interest group mobilisation, was an influential tool in the GGP and the CSG debate more broadly. A newspaper study of major

Australian newspapers was conducted using the software Lexis Nexis to identify the media coverage of major Australian newspapers. Based on semi-structured interviews, it has been argued that major Australian newspapers have had an influence on the GGP and the CSG debate more broadly. The coverage by some media outlets was seen as sensationalist by participants who supported the GGP but media support was welcomed by those who opposed the project. Importantly, those who opposed the project discussed how they had formed strong relationships with journalists with the ultimate goal of placing pressure on AGL and tarnishing their brand. Social media was also briefly discussed and was generally viewed by those who supported the GGP as a way to spread lies and make yet more noise. However, those who opposed the GGP used the platform to network and mobilise viewing it as a tool that was a key to their success. In the next Chapter, I explore several key news stories that raised a media scandal about the GGP. These stories are important because opponents of the GGP argued that they were particularly effective in damaging AGL's brand.

CHAPTER 9

MEDIA SCANDALS, NOISY POLITICS AND THE GLOUCESTER GAS PROJECT

9.1 Introduction

This Chapter will examine how news stories, interest group mobilisation and the public's perception of the economy contributed to AGL's decision to pull out of the GGP. It is framed in two parts. The first part centres on how anti-GGP interest groups used their expertise and their time to discover and investigate issues related to the GGP. Three key news stories about last minute legislative changes, unclaimed political party donations and the delay in the reporting the presence of BTEX chemicals were exposed and reported on largely due to the efforts of anti-GGP residents and pressure groups. These three news stories were selected by participants as being particularly important for three reasons. First, they were events that demonstrated that the Government was privileging AGL's interests above the interests of other stakeholder groups. Second, the reports on these events were identified as reasons why AGL delayed submitting an application to move to full-scale commercial production. And, third, these events were identified as being particularly consequential in leaving generating distrust between community members, the Government and AGL Energy. As such, they were viewed as being particularly important in damaging AGL's brand. However, despite strong representations to the Government about these stories and their implications, they were largely either dismissed or ignored. Nevertheless, what I will argue is that these media stories still had an important effect because they portrayed AGL in a negative light, damaging their brand, and possibly their future revenue streams, and, thus, placing pressure on AGL to pull out of the GGP. These three events demonstrate that AGL and the Government did in fact have an exchange relationship, as Lindblom and Culpepper suggest. However, Vogel's argument about the importance of interest group mobilisation in limiting business power seems most relevant here. With the assistance of the media, Groundswell Gloucester were able to shape public opinion and consequently limit AGL's business power.

The second part of the Chapter will again emphasise the contested nature of this issue in Gloucester. This was certainly not an issue on which business and Government was able to manipulate volitions, keeping it in the quiet arena of politics. I focus particularly upon the

conflicting perspectives that the participants had about economic growth in Gloucester and Australia, and what industries they identified as being crucial for the economy, job creation and overall Gloucester's future prosperity. Here, the key argument is that those opposing the GGP positioned the project as being against the long-term economic interests of Gloucester and Australia. This is important because Vogel claims that business power depends on the public's perception of the economy, which, to a large extent, is mediated by interest group activity and media coverage. The argument here is that this was disrupted by how the anti-GGP residents and pressure groups were able to successfully prosecute their argument about the project not delivering on the economic growth that it had promised.

The Chapter is divided into two sections. In Section One, three key events that created suspicion around the exchange relationship between the NSW Government and AGL Energy are discussed. These include: the last minute change of the Department of Planning and Environmental Assessment Act (DPEAA) to allow AGL to go ahead with the GGP without a full EIS; the finding of BTEX chemicals which were not reported until 12 days later; and the discovery of undeclared political party donations by AGL. Each event is dealt with in a subsection and draws upon the interview material in order to assess its impact. In Section Two, participant responses discussing attitudes to business and industry are outlined to provide insight into what motivated support for, or opposition to CSG.

9.2 'Law on the Run'

In October 2013, AGL submitted an application to the former NSW Government's OCSG to frack four wells in Gloucester, located 400 metres from a Gloucester residential area. However, AGL submitted REF, rather than a full EIS. As we saw in Chapter 4, a full EIS is required when the project is a SSD, which would be the case if more than five wells were located within three kilometres of the proposed well (AGL Energy, 2013). Groundswell Gloucester investigated whether the project should be considered a SSD and found that there were at least two more wells within a three kilometre radius; thus, in their view, it did need to go through the more lengthy and detailed approval process (Gloucester Advocate, 2014b). On the basis of their findings Groundswell Gloucester submitted a report to the NSW Office of OCSG emphasising the grounds on which a full EIS needed to be completed under current legislation.

Groundswell Gloucester were promised a response, but never received one (Watts, 2018, p. 29). Instead, the DPEAA 1979, the legislative instrument pertaining to this area, was amended and AGL's exploratory project was approved soon after (Hannam, 2015b). Specifically, the Government moved to abolish Part 3a of the Act on 2 July 2014, which meant that all projects were subsequently assessed under Part 4 of the Act, which did not require a full EIS. The NSW Government explained their decision by stating that they were "committed to halving the assessment times for major projects, without reducing the quality of the assessment of environment and other impacts" (DPE, 2014c). This decision meant that future projects were to be "assessed under the SSD (see Chapter 4) or State Significant Infrastructure (SSI) pathways, under Part 4" (DPE, 2014c).

It was subsequently claimed, in documents exchanged between AGL and the Government, that AGL had suggested to the DPE that the five wells provision be amended, so that the three-kilometre range "would be measured not from the nearest well adjacent project but from the midpoint of the set" (Hannam, 2015d). This then prompted a series of communications between the then Director General of Trade and Industry, Mark Paterson, and his Planning Counterpart, David Ritto (Hannam, 2015d). Their correspondence detailed the need for an "urgent clarification and amendment" to the Mining State Environment Planning Policy to resolve the issue, as delaying changes would "compromise AGL's financial investment decision for State 1 on the Gloucester Gas Project" (Patterson in Hannam, 2015d). This led to the changes described above and the accusation that the NSW Government was making "law on the run" (Hannam, 2015b).

9.2.1 Community Reaction

The Government's decision to amend the legislation in this way left many local residents and groups opposed to the GGP furious and suspicious that the Government was unfairly supporting AGL (Groundswell Gloucester, 2016, pp. 7-8). The lead up to these events was described by several participants. For example, one participant noted how the original discovery had been made about the need for an EIS.

...AGL had just applied to carry out their fracking of their four wells down here at Waukivory... when we sat down, and I looked at the planning document it struck me and struck others that the first process outcome is not correct.... because of the wording of the planning. The State Environment Planning Policy... we looked at it, we realised... there were other pre-existing drills within a certain distance of the rails they wanted to frack... the process to get approval,

should have been a different process involving a full ground work impact statement, public participation et cetera (Participant 13).

The same participant then explained how Groundswell Gloucester members had requested that the EDO write a letter to the Government explaining their findings. After being ignored for some time, they wrote another letter in November 2014. When they met with representatives from the department, the DPE stated that the issue was being considered, yet a response was never provided. As another participant explained, the Government continued to say, “We'll get back to you, we'll get back to you, we'll get back to you”, yet, later in “July 2015, despite (having) promised that they'd get back to us, what did they do? The Government suddenly changed the regulations to help AGL out of a spot when they realised we were correct” (Participant 9). The same Participant argued:

...throughout that whole period of time, from November to July, we know because I've obtained all the Government documents, there's an application on there, that the AGL were lobbying the Government to make the changes, and meeting with the Government to make the changes. A letter was written by the Head of AGL, by Michael Moraza, then head of AGL, to the Premier about the issue. Michael Moraza who was the head of the gas division had meetings with the department of planning. They were going full tilt at the Government to get them to change the regulation because of the problem we created. Government gave in and did AGL's bidding. And never ever came back to us... they completely ignored the community and blocked us out altogether.

Following the NSW Government's decision to amend the legislation pertaining to this area, members of Groundswell Gloucester, in particular, felt that their concerns had not been addressed. As John Watts (in Hannam, 2015a) , argued:

AGL are seeking approval to conduct exploratory fracking at four gas wells next to family homes in Gloucester... We wrote to the Government months ago pointing out that under current regulation, a full EIS is required due to the proximity of other gas wells to the proposed fracking project. We had no response from the Government on the matter until this week – when they announced their intention to change the law for AGL's benefit (John Watts in Hannam, 2015a).

Opposition was also expressed by the Lock the Gate Alliance, with its Hunter Regional Coordinator, Steve Phillips, describing it as “the latest example of the State Government bending to the demands of the coal and gas industry” (Steve Philips in Hannam, 2015a). The EDO was also unimpressed by the decision, with its principal Solicitor Sue Higginson describing the change as “law on the run” to “accommodate the proponents”. In Higginson's view, AGL had placed pressure on the Government to make these changes, and she expressed

concern about the cumulative impacts caused by the close proximity of so many wells (Sue Higginson in Hannam, 2015d).

The amendment to the DEPAA also exposed a distrust towards the Government and concern about its relationship with AGL. One participant argued that “the Government has played tricks on us” to “avoid AGL having to put in an EIS (Participant 25). They continued:

...one of their wells for the Waukivory pilot, they actually fracked their first wells before AGL bought so Lucas Molopo fracked maybe six to eight wells... the main wells that AGL have fracked have been these four wells at Waukivory. They should have had to put in an EIS to do that, but they put in something called a REF... which doesn't require public submission and doesn't require nearly as much close examination. Then we pointed this out and they changed the law six months later (Participant 25).

This participant, among others, believed that this event, alongside others, highlighted “the real problem”, which was “the inherent conflict of interest in the whole system” between Government and big business (Participant 25). Other participants also expressed their concern about the Government being “involved in approving and regulating the mining, whether it be CSG, coal mining, or whatever” (Participant 25). The same participant went on to explain:

...as you know that the Crown owns the minerals, they own the minerals under your land, it's owned by the Crown, the Government has a system in place to approve the distraction of those, of the gas, or whatever. And the body that approves it, it is body that makes money out of it, so it goes ahead given its interests in the matter... (Participant 25).

In this view, the Government was being heavily “lobbied by AGL after January (2014) to change the rules so that AGL's pilot project wasn't illegal” (Participant 9). This participant explained it in the following way:

...the community said, "Is there a problem?" AGL and the Government, they said "No, no, no. It's not a problem." All the while they were negotiating because they knew there was a problem. Then, at the last dialogue meeting, which was only last Thursday, we confronted them with evidence that they were lying to us a little bit... There's not of trust there at the moment I can tell you!

In conclusion, examining the issue both as presented in the media, and through the views of opposing participants, it would appear that the Government had deliberately changed legislation to reflect AGL's business interests. As noted, it was opponents of the GGP that

researched, mobilised and brought the issue to the media. This certainly has resonance with Vogel's argument that anti-business interest group mobilisation can affect the exchange relationship between Government and business. Clearly, what cannot be proven is the extent to which this affected AGL's decision. Nevertheless, it seems that coverage of this issue did have an impact on the public's trust in AGL and its standing in the community at least in the view of some participants.

9.3 BTEX Chemicals

A second key incident that raised concerns and distrust about AGL, as well as concern over their relationship with the Government, was AGL's failure to report BTEX chemicals immediately to the EPA when they were found at the WPP in January 2015. The news that BTEX chemicals had been found in wells at the WPP was made via an announcement to the Australian Stock Exchange (Groundswell Gloucester, 2015). This was important because the use of BTEX chemicals as an additive chemical in CSG operations were banned in NSW in 2012, due to their threat to human health and the environment (ABC, 2015).

More specifically, this story concerned the existence of BTEX chemicals that were detected by AGL in flowback samples on 15 January 2015 in water that it had extracted from wells 11, 12, 13 and 14 on their WPP pilot site. However, crucially for the way in which the issue was reported, it was not until some days later, on 27th January 2015, that AGL informed the regulator, the EPA, and the relevant Government department, the DRE, as they were required to do under the regulatory approvals that pertained to the project. AGL suspended the project voluntarily, but many have criticised AGL for not reporting the incident until 12 days after the BTEX chemicals were found (ABC, 2015). In response, the former NSW Resources Minister Anthony Roberts emphasised the need for a full investigation to reveal if "there had been any systematic failures" and establish why it took almost a fortnight for AGL to report their findings to the EPA (Groundswell Gloucester, 2015). Following investigations by the EPA and the DRE, it was found that the BTEX chemical was naturally occurring and likely released from deep within the coal seams and, therefore, there was no breach of the Petroleum Onshore Act (ABC, 2015).

9.3.1 Community Reaction

Many Gloucester residents felt that BTEX incident reinforced their fear about water contamination, describing these findings as their “worst nightmare” and claiming that the Government had not been stringent enough on AGL (Groundswell Gloucester, 2015). As one participant stressed: “The trouble with BTEX is that it's a carcinogen and carcinogens take years to have their effects” and are harmful to human health; it simply is not evident until years ahead (Participant 25). Many residents also expressed their scepticism towards the EPA’s finding and argued that the chemicals were still dangerous to human health and that they were being released to the surface in dangerous volumes (Groundswell Gloucester, 2015, Hannam, 2015b). As Steve Phillips, a member of Groundswell Gloucester, explained:

Just because AGL didn't put the chemicals in the ground doesn't make it okay – they're bringing it up out of the ground, these are highly toxic cancer - causing chemicals that are potentially being exposed to waterways around Gloucester (Steve Phillips in Groundswell Gloucester, 2015).

Despite these findings, the question also remained about why the AGL had not reported its findings earlier? A *SMH* article claimed that the EPA had “blasted” AGL for “its lack of transparency and tardiness”, over the delay (Hannam, 2015e). However, AGL claimed that their failure to report was due to their belief that “there was no harm to human health or the environment” (Hannam, 2015e). Participants who supported the GGP also claimed that they “always knew there was BTEX in the valley...the naturally occurring BTEX”, and that AGL “probably didn't have the opportunity of announcing it to the public”; therefore “they didn't break any rules” (Participant 11). As such, one participant argued that they “needed to get the full impact of the information... before they could release it to the public” (Participant 11).

Prior to the discovery of BTEX chemicals in AGL's flowback water, suspicion had already been expressed towards AGL regarding its unlawful dumping by AGL's contractor, Transpacific. In December 2014, Transpacific were fined \$30,000 for releasing flowback water into the Hunter Valley Sewer System (Trainor and Graue, 2013). Hunter Water had also expressed their disappointment about AGL's inability to control their flowback water and community groups were highly critical of the discovery (Trainor and Graue, 2013). Groundswell Gloucester members argued that they had continually asked AGL about details regarding the exposure to flowback water, but it was information that AGL refused to provide

(Yates, 2003). In July 2015, it was subsequently announced that AGL would be transporting their flowback water to a ToxFree Solution plant in Brisbane, replacing the storage of water at a nearby dam on AGL's premises for which it has been heavily criticised (Vaccaro et al., 2010).

Further, in April 2014, AGL's approval for their irrigation water trial, involving storage of waste water at Tiedeman's property, had expired (Hannam, 2015c). The irrigation program, had been launched in April 2013, following a series of "baseline soil and water studies" on the land to establish its suitability for the trial (AGL, 2014). AGL's Hydrogeology Manager claimed that AGL decided to stop using the wastewater for irrigation in April 2015, given that there was only "a small amount of water left", and noting that they were very happy with the two-year trial (John Ross, cited in Casson, 2015). However, the EPA claimed to have analysed the data from the irrigation trial and were concerned about the levels of salt and metals within the water, deeming the project unsustainable (Hannam, 2015a). This brought extensive criticism from opposition groups. For example, Greens MP, Jeremy Buckingham, argued that: "It's obvious that salt and heavy metals were going to build up in the soil over time and it was going to be embarrassing for AGL, so they've pulled the plug on this trial" (Hannam, 2015a).

AGL decided to continue to store their wastewater in holding dams, despite ending the trial irrigation program, causing concern to many about its legality and environmental and health ramifications. Groundswell Gloucester were concerned that AGL had perhaps been unjustifiably given permission to store the water, and they followed this up by making a formal complaint to the EPA (ABC, 2015). John Watts, from Groundswell Gloucester, explained that his organisation was afraid that "the Division of Resources and Energy have given AGL the green light to go ahead", despite the end to their irrigation program and the EPA's dissatisfaction with the data from the program (ABC, 2015). The EDO were also critical of the EPA and the Department of Trade and Industry for not providing evidence of the legality of AGL's holding of waste water (Hannam, 2015c). However, AGL explained that they did not need a further licence from the EPA, because the dams were not a waste facility and that they were "lawfully and temporarily storing the water at the Waukivory pilot site" (ABC, 2015).

In addition, opposition groups felt that holding ponds are much the same as irrigation ponds, which were banned by the NSW Government in 2012, due to the risks they posed to the environment and to people's health (DRE, 2016, Groundswell Gloucester, 2015). The NSW Government stated, "in some cases temporary holding ponds or dams may be required for various treatment processes" (DRE, 2016). However, they did not clarify what these cases might be; a cause of suspicion amongst opposition groups.

In conclusion, the evidence presented to date may suggest that the behaviour of the Government and AGL was not transparent and this was certainly the view of some participants in this study. It may also suggest that AGL and the NSW Government had an exchange relationship, as Lindblom and Culpepper would predict. Certainly, opponents of the GGP argued that the Government had failed to hold AGL to account for its delays, arguing that "it was proof the Government had been lax on AGL" or that the project had not been adequately regulated (McNally, 2015). Nevertheless, many participants argued that this issue had a profound effect on damaging AGL's brand, with one suggesting "that AGL were going alright before that... I think a lot of people, even pro-gas people, said "Oh, that's not good" (Participant 9). This concern was also reflected in the State Premier response in the media: "That's why I've deployed a separate investigation from the Division of Resources and Energy because I want to look beyond just the BTEX side" (McNally, 2015). It is interesting that many of my respondents felt that, until this point, AGL was doing well, but that this incident reflected a significant turning point in the company's brand and reputation.

9.4 Undeclared Party Political Donations

The third media scandal concerns almost \$100,000 of party political donations to the Liberal, Labor and Nationals made by AGL, with more than half of this money being undeclared (ABC, 2016, SBS, 2017). This included \$40,550 in donations prior to the Government's approval of the exploration stage in the GGP (ABC, 2016). This provoked suspicion as to the timing of the donations. In August 2013, Groundswell Gloucester sent a letter to the former NSW Minister for Planning Pru Goward, highlighting the breaches (Gloucester Advocate, 2015a). Groundswell Gloucester followed up with a complaint to the NSW Ombudsman. It also made demands that the Department of Planning and Environment (DPE) take action against AGL for the breaches. Throughout this period, the DPE maintained that "political donations have no

impact on its assessment of any proposal” (AGL Energy, 2016d) and, whilst the Minister acknowledged the allegations, no actual action was taken with respect to them, until AGL pleaded “guilty to 11 counts of not declaring” in February 2016.

9.4.1 Community Reaction

Many critics took issue with the donations, drawing attention to the fact that, not only were they undeclared, but also about the influence that such donations might buy. These reservations were reflected in the words of Steve Philips on the *ABC* (2016):

Why are resource companies still allowed still allowed to make political donations in NSW? We banned donations from property developers because of the corrupting influence this has on project approvals. Well, mining and gas projects are far more valuable than property developments and the company’s pushing them have very deep pockets. It’s time to ban political donations from mining and drilling companies (Steve Philips in *ABC*, 2016).

A number of other observers also commented critically on this case. For example, Sue Higginson of the EDO argued that “...the burden is still resting with the community to identify the breaches and bring them to the regulator’s attention” and this is simply not right (Higginson in Hannam, 2016). Further, George Williams, an expert in Constitutional Law, told the *SMH* that: “There’s a large issue of what they should be entitled to donate” as “corporate interests don’t donate money unless they hope to get something in return” (Hannam, 2011). In this context, Groundswell Gloucester member, John Watts, labelled the current system “inadequate”, and argued that the NSW Government should force corporations, such as AGL, to immediately disclose political party donations to a public register (SBS, 2017).

The issue came to a head when the DPE finally carried out an investigation, which they described as “complex and ongoing” (Gloucester Advocate, 2015a) and AGL subsequently pleaded “guilty to 11 counts of not declaring” in February 2016 (MidCoast Council NSW, 2017). This case occurred one week after AGL had announced they were pulling out of the GGP, which many Groundswell Gloucester members viewed as opportunistic timing (Hannam, 2016). AGL was subsequently fined \$124,000 by the NSW Land and Environment Court on 12 January 2017 (Forcey, 2016, SBS, 2017).

In the view of those opposing the GGP, including Groundswell Gloucester, the Government was not taking reasonable action to enforce the reporting of these donations, to identify the undeclared donations or to hold these donors to account once their illegal actions had been identified. They felt that the media reporting on this issue had an impact on AGL's reputation. Indeed, Jenny O'Neil, of Groundswell Gloucester, went as far as to argue that both "the investigation and the conviction might have been an important factor in AGL deciding to pull out of the project" (MidCoast Council NSW, 2017).

Party political donations were also a key topic raised by those who opposed CSG in interviews. For example, one participant emphasised that Groundswell Gloucester's campaigning had an impact on AGL's brand, and, subsequently, the cancellation of the GGP (Participant 12). Elaborating on this point, another participant explained that Groundswell Gloucester members had "researched donations that have been made by AGL" and had "a schedule prepared of all the donations they've made" (Participant 13). This participant outlined the pattern of political party donations:

under the old Labor Government, all the AGL donations at that stage, leading up to the approval were to the Labor Party. Liberals come in, and who do the donations get made to? All the Liberals or National Party. And that was after the change of the Government... and during the time that this change was being made to frack Waukivory there was political donations being made to both the Liberal and National parties. We raised it and we had one in the *SMH* about that (Participant 13).

The participant further explained that they had also discovered that AGL had not reported their donations to political parties in their application for key projects, including the GGP and the gas storage facility in Newcastle, although, legally, they were required to do so. However, once they released this information to the media, they were dissatisfied with the Government's response, or lack thereof:

...we had put in a complaint to department planning about that, saying this is a breach of the rule, and that's been in the department of planning for other 12 months. And nothing's happened. Absolutely nothing. We keep getting told it's being considered. But nothing's been done. Absolutely nothing. So, then what I did a few months ago, is they've announced that from then on, they're not going to make any more political donations at all, they've abandoned the idea of making donations, so, and we achieved something there, we put that pressure on them, so they would change their policy on donations. And again, it was kind of after the event. It's after they got what they wanted (Participant 13).

However, this participant argued that this had only occurred through the influential role that Groundswell Gloucester had played in putting the issue on the media agenda. This participant concluded that: “I think they may be concerned that there's some substance in our complaints about breaches, and they may be worried that they're going to get caught. So, we'll see what happens” (Participant 13).

The Government's lack of action on these political party donations certainly seems to reflect Lindblom's idea that there is an exchange relationship between business and Government. As Marsh and Lewis (Marsh and Lewis, 2014, p. 269) contend, Lindblom argues that business will invest, so long as the Government offers them incentives. AGL made donations to political parties with, in the view of many participants in this study, the hope/assumption that Government decisions would favour them. According to Lindblom, supporting business in this way helps boost the economy and, in turn, improves the Government's electoral position (Shaanan, 2010, p. 29). These are powerful points, but Lindblom again fails to acknowledge the importance of interest group mobilisation, and the role that the media plays, in bringing grand majority issues that concern business and Government to the public's attention; and, thus, reducing business power.

In conclusion, these issues suggest that the Government and AGL may have had an exchange relationship, with business holding a privileged position, as suggested by both Lindblom and Culpepper (Lindblom, 1977, pp. 204-205, Culpepper, 2010, pp. 177-178). At the same time, the actions of local community members, particularly Groundswell Gloucester, were clearly important, which raises questions about the limitations on AGL's power. Their role reflects Vogel's argument that well-informed interest groups, particularly when they have access to the media, can influence key political decisions. AGL argued that their decision to pull out of the project was solely due to a decline in the project's economic viability and the limited gas flow. However, as we saw, there is a strong case that interest group mobilisation, linked to media coverage, significantly influenced their decision to pull out of the project (Vogel, 2003, pp. 101-102). Certainly, some residents felt that progress to Stage One was made too difficult by the protests, as they damaged AGL's brand. Either way, the debate about the GGP in Gloucester, and CSG more broadly in NSW, became incredibly noisy; a high salience issue that could not be ignored (Culpepper, 2010, pp. 4-5). And, the “disrupt and delay” (Watts,

2018) methods of groups opposed to the GGP did appear to delay AGL's plans to expand the GGP.

9.5 The Manipulate of Volitions – A Case of Very Noisy Politics

Lindblom argues that business enjoys ideological hegemony, meaning that Government and business promote their favoured business interests as being good for the economy, and, thus, good for the public. This suggests that citizens will trust Government and business. Whilst some groups, such as Advance Gloucester and the GBC, saw the mining industry as the key contributor to economic growth, jobs and the reversal of rural decline, others were very sceptical about this view. As noted previously, this created divisions in the town and the surrounding area concerning what was good for Gloucester and its future. Here, I look at both sides in turn. These participant views help to reveal the attitudes and beliefs of those involved in the CSG debate in Gloucester, as they shape their behaviour, and further reveal strengths and limitations of AGL's business power.

9.5.1 Opponents of the Gloucester Gas Project

Interest groups such as Groundswell Gloucester and the KNAG saw the mining industry as destructive, unsustainable, instead preferring sustainable, long-term solutions, such as tourism, farming and small businesses. In addition, they did not see CSG as being economically viable or sustainable, with many pitfalls, deeming the project 'a lemon' from the beginning (Groundswell Gloucester, 2015, p. 11). In the view of these participants, the town of Gloucester had changed over time and, given the rising threat of climate change, mining and other fossil fuel industries were not sustainable in the long-term. As such, one participant argued that:

Gloucester's gone from being what I would consider to be a relatively traditional and homogeneous rural town into a ... it's starting to become a much cosmopolitan and diverse town...it is sort of opening up. It's gone from being that more insular town based on dairy and forestry and what we can do for ourselves to run that through. It is much more responsive to tourism and to the other opportunities that arrived with that. But, as I said, all of that, of course, has over the last five or six years, has been moderated by this uncertainty over coal and, are they going to be a town with a mine or are they going to be a mining town? (Participant 1).

From that perspective, CSG might mean short-term economic growth and job availability, but it was not a long-term solution for Gloucester's economy, and, thus, would not address the concerns of the residents who support CSG. In contrast, all participants who were CSG

opponents supported the notion of achieving economic growth via sustainable industries, with an emphasis on tourism and the small business sector. So, in one participant view, smaller industries had potential, but they needed to be built-up:

...tourism is a good industry, and the hospital... a caravan camping manufacturing place. They fit out caravans and stuff like that. And they're doing quite well, there's a place that makes lifts. There's a few businesses, but there's no major kind of one industry (Participant 12).

Such participants felt that small businesses could prosper with modern knowledge and a good strategy. Many discussed Drifter Kitchens as a key example of a thriving small business which had brought economic growth and jobs to the community, employing roughly 30 people from Gloucester and surrounding rural towns (Participant 10, 12, 13 and 14). Reflecting on this company, one participant noted that:

There's the business, probably the biggest employer in here is a place that makes camping kitchens out in the industrial estate. They've got 50 employees. They've got 17 apprentices. They employ more people than the council (Participant 16).

Similarly, another participant highlighted a number of smaller industries generating economic growth within the community, arguing that this is the approach that the community should be adopting (Participant 10). He mentioned tourism and the hospital, but then talked about a “caravan camping manufacturing place. They fit out caravans and stuff like that. And they're doing quite well. There's also a place that makes lifts... there's no major kind of one industry” (Participant 10). In the same vein, some participants thought that another key opportunity was the retirement industry, which they saw as inevitably emerging, with so many elderly incomers. As the same participant explained:

There really are a whole range of kind of levels of support for people as they get older, that could be brought up an awful lot more, and there are plans to expand in that area as well, but you can really see the retirement industry could be really quite huge for this place (Participant 10).

Overall, participants opposing CSG believed that Gloucester's demographic make-up had significantly shifted, and that the Gloucester community should be embracing and catering for this change that would provide employment opportunities, rather than relying on large industries as the region had done in the past. In the view of one participant, Gloucester had too often looked to one industry as a saviour:

...I think they (long-term residents) have genuine concerns... I think that, as I said, many years ago when our dairy farmers factory closed, and our timber mills closed we had a lot of unemployment. Men were concerned about feeding their families. They have genuine concerns...we've got look at how the community will survive... As I always say for the 26 years I've been here we're always looking for a saviour to come and save us instead of looking at what we have and working on what we have (Participant 16).

9.5.2 Supporters of the Gloucester Gas Project

In contrast, supporters of the GGP argued that AGL would bring economic growth and jobs to the community of Gloucester. For them, encouraging key industries, such as the mining industry, was the best way to provide jobs and create economic growth, compared with alternate solutions such as tourism and sustainable agricultural solutions. As such, they felt that the economic interests of AGL and the Government reflected their own interests. It is perhaps unsurprising, given the historical industrial focus in Gloucester had been on large forestry and dairy industries, that many saw large industries as an answer to the town's ongoing survival.

The majority of participants who supported the GGP expressed great uncertainty about the future, if, or when, the project did not go ahead, seeing it as detrimental to Gloucester's survival. The uncertainty about a project that was approved in 2011 but which had failed to develop any further, led to great anxiety, as many residents felt that it placed their futures on hold. In discussing these concerns after AGL's decision to withdraw, participants argued that there was going to be a discernible impact on local business. As one participant argued:

For sure. As far as any development goes, I think a lot of people just ... a lot of business people just sitting on their hands because they don't know what's going to happen... Just because they're not sure if CSG comes to town, they're not sure if everybody's going to move out of town because they don't like it and it's only a ghost town. Or they're not sure if it's going to bring in whatever industry and then it will be, you know, worldly to develop. It's just there's a lot of uncertainty (Participant 23).

Many GGP supporters also believed that the lack of jobs within Gloucester meant many young people were leaving Gloucester, as they were unable to find work. This included citizens who had lived all their lives in Gloucester and were particularly concerned that rural decline was leading to a loss of jobs and other opportunities. One participant put it in graphic terms: "There's not as many sons and daughters taking on the farm as what there used to be" (Participant 23). He further explained the huge effects that rural decline has had on the community: "When I just think about when I first started playing footy, we were 30 guys with

footballs and 90 percent of them were dairy farmer sons. There are now two dairy farmers' sons. Went from over 30 dairy footballers to two. That's it". This participant, like many others supporting the GGP, felt that jobs from industries like AGL were essential, with, as one participant put it, "investment, being able to go into the community...opportunities for direct employment...flow on unemployment" (Participant 15).

Other participants spoke about the previous key industries that had been deregulated or shut down, and the negative effects that this had on Gloucester over time. They saw Gloucester as a town based on agriculture and industry, and they identified a continuation of this pattern as likely to be the most successful way to generate economic growth and job creation. From this perspective, AGL's withdrawal was a huge loss and a serious case of *déjà vu*. As one participant explained "we used to have a thriving timber industry, but the Greens stopped that. For no good reason, of course" (Participant 3). This participant also argued that, despite past protesting about the forestry industry, "the forestry people were doing an excellent job in looking after the forest and both taking the cropping of the trees" (Participant 3). In discussing the detrimental effects of past declining industries, another participant spoke on similar terms, referring to:

a beef crash, to dairy deregulations, to the shutting down of the timber industry, by quite a few of the same people who were opposing CSG. And again, the same movement, and when I say the shutting down of the timber industry, the locking up of a lot of resources in no-go zones like National Parks and reserves and such-like. Now, one of the things there is we must grow trees so that we take carbon dioxide out of the air. There comes a point in a trees life when it's producing more carbon dioxide than it is converting to oxygen (Participant 8).

Participants who supported the GGP not only saw the loss of these industries as leading directly to economic decline and a loss of job opportunities, but they also argued that other industries had suffered from the flow-on effect from the loss of key industries. As this participant emphasised:

...all that at the end of town there, that used to be thriving. In the early times, we had three car dealerships... for old cars, and we had five car dealerships where you can go buy a new car. There were two machinery dealers. We've got nothing, we've got nothing. And it really annoys the hell out of me that we can't go anywhere in Gloucester and buy a new car, can't go anywhere in town and buy a new tractor, or any new piece of agriculture machinery for the farm (Participant 2).

This participant felt that an industry was welcome in Gloucester “as long as it works hand in hand with agriculture...And so far, the extractive industries that have been in the area have worked very well in conjunction with agriculture” (Participant 2). Indeed, they claimed that “95 percent of people would be happy with the way it's worked in with agriculture”. This was compared with tourism, which could play a role in economic growth, but which was viewed as not benefitting everyone. As the same participant explained: “It simply does not provide the revenue that mining industries would bring to the community...[neither] does it put any money into the infrastructure in the town” (Participant 2). Advance Gloucester participants explained that it would promote any industry that will benefit the town and therefore will “cling on to CSG”, as opposed to other industries, such as tourism, “because it will help us so much here as a town, and, of course, that would lead to other industries”, and further job creation (Participant 3).

9.6 Media Scandal and the Power of Business

In conclusion, many participants raised the issue of an exchange relationship between Government and business. In particular, participants opposing CSG argued that core businesses in Gloucester supported CSG, as well as discussing how CSG companies put pressure on the Government to allow projects such as the GGP to go ahead. One participant made this point particular clearly, arguing that: “I think people like the Farmers Union, the Farmers Association. I think they could put pressure on the Government. I guess those types of businesses. I think they could put a bit of pressure and they can work with them” (Participant 16).

However, Vogel argued that the success of business will also depend on the public’s overall perception of the economy and businesses contribution to it, if it is positive then the view of business will be positive (Vogel, 2003, p. 6-7). Here, as we can see, the view of big business generally, and AGL particularly, was heavily contested. However, Vogel also emphasised that the ability of different businesses to work together, both big and small, is one of “the most important factors affecting the relative political influence of business. When business has been united, its political power has been extremely impressive” (Vogel, 2003, p. 12). In this case study, business interests were not united, and this significantly influenced the debate, providing

support for the opposition to CSG. As we saw earlier, the voices of the groups opposing CSG, and arguing against AGL's likely contribution to local prosperity, were also probably louder.

Finally, Culpepper claims that, when an issue becomes a high salience issue, politicians are forced to listen to the views of the public, as they become crucial to their chances of being re-elected (Culpepper, 2010, p. 5). Here, however, the Government appeared to support business until the end of the debate, despite the growing vocal opposition to CSG. Whilst, Lindblom sees business as exercising an ideological hegemony, convincing citizens that what is good for Government and big business is also good for citizens. In this case, while long-term local residents were in the main convinced that CSG would provide jobs and lead to economic growth, there were many, often, but by no means always, incomers, who were unconvinced, and strongly opposed to CSG.

9.7 Conclusion

This Chapter has outlined three 'scandalous' news events which were discovered by interest groups opposed to the GGP and which were shared with the media as a means of attacking AGL and damaging their brand. Groups opposed to the GGP believed that the Government and AGL had an exchange relationship, which they wanted to reveal to the public through the media; hence, the focus around the three scandals outlined in the Chapter. The first scandal involved Groundswell Gloucester arguing that the Government had deliberately changed the law to enable AGL to go ahead without a full EIS. In the second case, AGL's failure to immediately report the finding of BTEX chemicals was reported in the media. Although these chemicals were proven to be naturally occurring, they were presented by opponents as being dangerous to the environment and human health, as were other forms of water contamination and accusations with respect to water dumping. Whilst the Government seemed un-concerned about these issues, and groups opposed to the GGP saw its response as tokenistic, rather than genuine. Finally, AGL's failure to report political donations was seen as suspicious in itself, but the Government's reluctance to act was used by those opposed to the GGP as evidence of an exchange relationship persisting between the Government and AGL. Despite the discoveries identified by Groundswell Gloucester, little action was taken until last minute, and then only after pressure was placed on the Government to hold AGL to account. The next Chapter will shift attention from the media towards exploring various economic and financial factors which

affected AGL's decision to withdraw from Gloucester, including AGL's share price and the changing price of gas on the international market.

CHAPTER 10

ECONOMIC FACTORS AND AGL ENERGY'S DECISION TO EXIT THE GLOUCESTER GAS PROJECT

10.1 Introduction

This Chapter will outline AGL's economic position between 2008 and 2016, including the rise and fall in AGL's share price, fluctuations in the international gas market and how wider economic factors such as these impacted on assessments pertaining to the GGP and its viability. This economic analysis indicates that the GGP was never as economically viable as both AGL and the NSW Government had originally claimed and suggests that Government support for the project was, at least in part, ideologically-driven. The decision to purchase PEL 285 and the push for the GGP to go ahead were not based upon the certainty of sufficient gas flow, and, thus, the economic viability of the project came into question. This was accompanied by a decline in the price of gas, which certainly affected AGL's decision to pull out of the project. It is, however, revealing that the Government continued to support the project up until its cancellation, despite: evidence of limited gas flow; a continuing drop in gas prices; and the international move towards renewable energy. Interestingly, since the cancellation of the project, AGL has announced that a renewable energy future and the reduction of emissions from carbon dioxide will become a core part of the company's future business strategy, whilst the Australian Federal and State Governments have continued to support the mining industry and fossil fuels.

This Chapter examines the crucial importance of the price of gas on AGL's decision to exit the GGP, but it also suggests that other factors influenced AGL's decision, including: major economic disruptions; the damage caused to AGL's brand by the GGP; AGL's responsibility to its shareholders; and international and local pressure to move towards a more sustainable, and economically viable, energy alternative. The Chapter also highlights the way in which Corporate Social Responsibility (CSR) can limit business power, as Vogel suggests. While Culpepper, unlike Lindblom, acknowledges the role of interest group mobilisation in shaping the public's perspective on an issue, they under-emphasise the direct pressure that interest group mobilisation and the media can have on business and not just on Government. In contrast,

Vogel does acknowledge the importance of this direct pressure through his focus on the growing role of CSR.

This Chapter is divided into seven sections. The first section briefly establishes that the company which originally held the license, AJ Lucas Group and Molopo Australia, had difficulty drilling for gas such that the GGP was deemed by some critics to be economically non-viable right from the very start. The second section then examines AGL's reasons for later claiming that the GGP was non-viable, citing insufficient gas flow from its pilot project, high international commodity prices and long development lead-times. The third section outlines the costs and delays associated with the GGP. Subsequently, the fourth section tracks AGL's share price and compares this with the Australian Stock Exchange (ASX) 200 Utilities Index between April 2008 and December 2016 to demonstrate that fluctuations in AGL's share price were caused by issues within AGL, such as media scandals, as discussed in Chapter 8. The fifth section discusses the gas market and the international price of gas, which AGL claimed was a major catalyst for their exit of the GGP. Although other factors did impact on AGL's decision to pull out of the GGP, particularly the interest group mobilisation by CSG opponents, their decision to pull out was primarily an economic one. The sixth section outlines participant perspectives on the GGP, which includes whether they believed the GGP was economically viable before 2016. Finally, the seventh section provides participant perspectives after AGL's decision to exit the GGP.

10.2 Revisiting the Gloucester Gas Project

To understand AGL's decision to purchase PEL 285, and more broadly the economic viability of the project, it is important to consider an earlier part of the project's history. Prior to AGL's purchase of the GGP, PEL 285 was owned by AJ Lucas Group and Molopo Australia (Frydenberg, 2018, p. 11, Groundswell Gloucester, 2016). The companies purchased the license from Pacific Power in 2002, although there was little progress after this had occurred (Frydenberg, 2018, p. 11). They then sold PEL 285 to AGL in December 2008. However, Groundswell Gloucester and other Gloucester residents were not convinced that the project should have proceeded, seeing it as having little potential and numerous risks right from the beginning (see Chapter 4).

Suspicion about the potential of the project began when AJ Lucas Group and Molopo Australia released their Quarterly Report in March 2008. They announced that the Gloucester Basin Project (PEL 285) had received an initial reserves certificate for the recovery of CSG, and provided estimates of gas in the basin (Wilson, 2016, pp. 1-2). However, as Groundswell Gloucester noted in a paper written in 2015, “out of the 525.4 billion cubic feet of potential retrievable gas, only three percent of the volume was of ‘proved’ category and the other 96% were in the ‘probable’, mostly ‘possible’ or ‘contingent’ categories” (Godfrey, 2016, p. 12). Groundswell Gloucester argued that these findings provided ‘an early indication of a lemon’ (Godfrey, 2016, p. 12). They further noted that:

The report goes on to say that “Management considered that, having regard to developments in the market place, it was a prudent time to exit as this asset moved into the production stage, when significant development expenditure would have been required” (Godfrey, 2016, p. 12).

This report has since been removed from AJ Lucas Group and Molopo Australia’s website. However, Groundswell Gloucester did not believe this statement to be true, suggesting that AJ Lucas Group and Molopo Australia had chosen to obtain the results certificate so that they could sell PEL 285. They argued that the decision to sell reflected problems with drilling, as well as the discovery of a more complex geological terrain than they were expecting, which, in their view, made the project high risk (Godfrey, 2016, p. 12).

AJ Lucas Group and Molopo Australia had experienced issues with drilling, notably the “blowout of well LMG03” in 2004 (Watts, 2018, p. 205). As noted by Pells (2004, p. 2), “Lucas Molopo’s problems with well blowout and gas interconnection were reported on 7 September, 2014”, after which their share price dropped by 7%. Pells disagreed with AJ Lucas Group and Molopo Australia’s statement that this ‘blowout’ was caused by the failure of equipment and the installation of a new pump, instead arguing that the geology was complex and sophisticated studies needed to be undertaken before any further drilling in the Gloucester Valley (Pells, 2004, p. 2). Watts further explained that “The denial by AGL of geological connectivity was an early, but telling, example of the AGL approach to its Gloucester activities” (Watts, 2018, p. 205).

As mentioned previously, AGL Energy nevertheless bought PEL 285 in December 2008, and announced that hydraulic fracturing, or ‘fracking’, was necessary to extract gas from those reserves that were present in the area. Given the amount of gas predicted, AGL had turned to fracking to overcome geological barriers, arguing that the process was a “decades old technique” (Groundswell Gloucester, 2016, p.2). However, Groundswell Gloucester argued that fracking was not suited to the “complex fractured geology” of the Gloucester Basin, so posing numerous risks (Groundswell Gloucester, 2016, p. 12). They also viewed this complex geology as a major reason for AGL’s eventual decision to withdraw from the GGP.

10.3 AGL Exits the Gloucester Gas Project

In February 2016, after enormous controversy over the GGP, which this thesis has outlined, and with a new CEO, Andrew Vesey, AGL decided to exit the GGP and relinquish their licence to the NSW Government. AGL emphasised that community pressures had no bearing on their decision, stating that their exit from the GGP was purely a financial one (AGL Energy, 2016f, Frydenberg, 2018). In their media release, AGL claimed that:

the two major drivers of impairment change have been the fall in global oil prices with consequent effects on long term Queensland gas prices and Waukivory Pilot well data indicating lower than expected production volumes for the GGP (Godfrey, 2016).

As Vesey argued, “...it is one of the things I have been very clear about...That we would make a business decision, we would be very transparent about it, and that’s what we have done” (ABC, 2016). In particular, AGL cited “...disappointing gas flow data from Waukivory Pilot wells and economic modelling of the gas reserve” as reasons for its decision (AGL Energy, 2016f). Further, they argued that the economic returns were not enough, reaching only approximately \$1 million, giving AGL no choice but to pull out of the GPP in taking the most responsible decision for its shareholders (AGL Energy, 2016f). Shortly after AGL also announced that gas exploration and production would “no longer be a core business” activity, due to the “volatility of commodity prices” and its “long development lead times”; instead, the company would be investing in renewable energy in the future (AGL Energy, 2016f, AGL in Godfrey, 2016).

At the same time as announcing their decision to relinquish PEL285 to the Government, AGL also announced that they would “commence a comprehensive decommissioning rehabilitation program for its well sites and other infrastructure in the Gloucester region” (Godfrey, 2016). This took the form of a “\$2 million Independent Trust Fund, to work with the Gloucester community to assist in providing opportunities within the region” (Godfrey, 2016). Although most of the community welcomed this legacy, those opposing the GGP felt that the money was mostly going to those who supported the project with the Upper Hunter MP, Michael Johnson, a key supporter of conventional fossil fuels, playing an important role in deciding how the funds would be disbursed. Further, AGL appointed also members of the GBC and Advance Gloucester to be part of the panel of the legacy fund (AGL Energy, 2016a). This example shows that firms in different industries, and of different sizes, can collaborate, but, in this case, such collaboration did not result in an outcome which suited business, rather interest group activity was able to constrain business power, albeit in an economic context which significantly affected AGL’s assessment of the GGP and its financial viability. In addition, in this case, interest group activity undermined AGL’s ability to convince the public that what was best for them was best for all citizens. This failure was reflected in the public’s response to the Government’s claim that NSW was suffering a gas crisis (as discussed in Chapter 4).

10.4 Decreasing support for CSG in NSW

There has been decreasing support for CSG from the NSW State Government and its political parties over time, which is important given they are the main decision makers in relation to CSG. As Chapter 3 acknowledged, despite consistent support from the Liberal National Coalition, they have significantly tightened regulations, demonstrating a degree of resistance to the industry. This was demonstrated in the context of: the NSW Parliamentary Inquiry, 2011 (Parliament of New South Wales, 2012, pp. 105, 108); the Chief Scientists Report 2014 (O’Kane, 2014), and the Final Report 2015 (O’Kane, 2015); the NSW Gas Plan 2014 (DFE, 2014b); the changes in the Strategic Regional Land Use policies (2012); and the introduction of the Landholder Benchmark Compensation Rates (IPART 2015). Both NSW National MP and NSW Liberal MP, Anthony Roberts, argue that these initiatives were the most that a government had done in terms of CSG regulation, and these were changes that balanced the economic, social and political concerns of the communities (Cormack, 2015, p. 1 and Aird, 2015). Although the Liberal and National Parties had stated that CSG and communities could

successfully coexist, they had done more than their predecessors to tighten regulation and controls surrounding CSG (Aird, 2015).

Further, Labor's position has also significantly changed since the granting of 39 CSG licences (Duus et al., 2015). Indeed, as former NSW opposition leader Luke Foley had announced in 2015 that, if he was to be elected that he would cancel all existing CSG licences, and refuse to grant new ones (Foschia and Gerathy, 2015) . The position of the Greens has remained consistent, and their support had become stronger as they continue to oppose CSG in NSW; as such they won 2 new seats in the 2015 State Election, with CSG being a core issue of their campaign (Horne, 2015 and DPE, n.d.).

This decreasing support for CSG across NSW may also demonstrates a decreasing broader support across the State, as NSW political parties have shifted their priorities to coincide with the concerns of the voters.

10.5 Costs and Delays

The decreasing value of the GPP, which was not announced until late-2015, was long suspected by Groundswell Gloucester members. Indeed, Wilson (2016) argues: "In late 2015, AGL slashed the book value of the project to just \$131 million from \$406 million". This was said to result from "delays in anticipated first gas flows, estimates of gas volumes, development costs and expectations of lower gas prices in the future" (Wilson, 2016). However, other research suggested that the value of the project had declined long before this date.

In 2014, global brokerage firm, Credit Suisse, conducted research on the GGP which found that the stock market analysis placed the value of the GGP at \$88 million despite original predictions that valued the project at \$350 million (ABC, 2014b, Credit Suisse, 2014, pp.1-6). Credit Suisse's Director of Equities and Research, Sandra McCullagh, argued that this decrease in value was caused by delays with Government appeals (see Chapter 8), and that AGL would have to conduct a full EIS to gain the trust of the Government and the community. In her view, the nature of the project was causing these delays, understandably given the associated risks, and that this was concerning for the future of the project (Gloucester Advocate, 2014a, pp.1-6, ABC, 2014b, Credit Suisse, 2014). Additionally, *The SMH* analyst, Dale Koenders, argued that "there are early warning signs of negative connotations around Gloucester impacting AGL in

some retail customer sectors” (Hannam, 2015f). He continued: "If these negative associations become more mainstream, walking away from/disposing of Gloucester may become the right option to protect the larger retail brand and earnings” (Hannam, 2015f).

As Credit Suisse and Koenders acknowledge, the controversial events outlined in Chapter 9 also led to financial setbacks. The last-minute changing of legislation by the Government, the discovery of BTEX chemicals and the illegal political party donations all contributed to delays; factors which were all further exacerbated by protests in each of these cases (see Chapter 8). As detailed in Chapter 6, the Gloucester Council also contributed to this controversy by asking the NSW Government to buy back PEL 285 from AGL (Hannam, 2015). This reflected enormous community opposition, but it was also another major setback and cost to AGL, given how their share-price had also dropped significantly, as we shall see below.

Together, these events meant significant setbacks to AGL in time and cost, preventing it from being able to reach Stage One of the project quickly. This point seemingly confirms Vogel’s view about the way in which interest groups can exert pressure on the Government to change its agenda in order to address environmental, public health and consumer law concerns, against the interests of business and interest groups that represent business interests (Vogel, 2003, pp. 111-112). Similarly, Culpepper highlights that, when pressure is placed on the Government, and issues achieve high salience, the Government may have no choice but to change its agenda, because to not do so would have a negative influence on its re-election chances (Culpepper, 2010, p. 4-6) However, Culpepper see such pressure as being directed towards Government to change the policy agenda. Here, the interest groups directed most pressure towards AGL, with the noise generated in relation to these scandals aiming to tarnish AGL’s reputation. Of course, once they had decided to change their strategy, AGL were also motivated by the fact that their new path provided them with alternatives that were more sustainable, both environmentally and economically, while also allowing them to portray themselves as socially responsible corporate citizens.

In addition, it must be acknowledged that, prior to Vesey becoming CEO, it appeared that the Government were willing to turn a blind eye to some of AGL’s dubious practices; indeed, they

went as far as changing the law to suit AGL's agenda, as discussed in Chapter 9. It is also interesting that, to date, the Government, despite AGL's changed position, have still not seemed eager to move away from supporting the mining industry and the exploration and extraction of both conventional and unconventional fossil fuels such as CSG.

In fighting against AGL, interest groups created noise through protest and, with the assistance of the media, interest groups were able to damage the AGL's reputation, thereby limiting its power. In my view, that this pressure from interest groups was an important catalyst for AGL's sudden and dramatic decision to move away from CSG and to change their business strategy. The crucial point here is that interest group power can be exercised by influencing business preferences, not just Government preferences. The influence that interest groups can have over society via non-traditional forms of action is particularly emphasised by Marsh and Akram (2015, p. 523). They challenge the mainstream political participation literature's suggestion that interest group participation has declined, rather they argue that the nature of this political participation has changed. This argument suggests that interest groups no longer simply attempt just to influence Government, as both Culpepper and, to a lesser extent, Vogel suggest (Culpepper, 2010, pp. 191-192, Vogel, 2003, pp. 93-94), but rather they target and attempt to influence the public and business as a means of changing policy.

The next section will outline how key events and poor decisions taken by AGL impacted on their share price, which was arguably one factor that contributed to their decision to pull out of the GGP and move away from CSG more broadly. However, other economic factors were also crucial: the declining demand for fossil fuels; the international fall in the price of gas; and the international push for the greater use of renewable forms of energy.

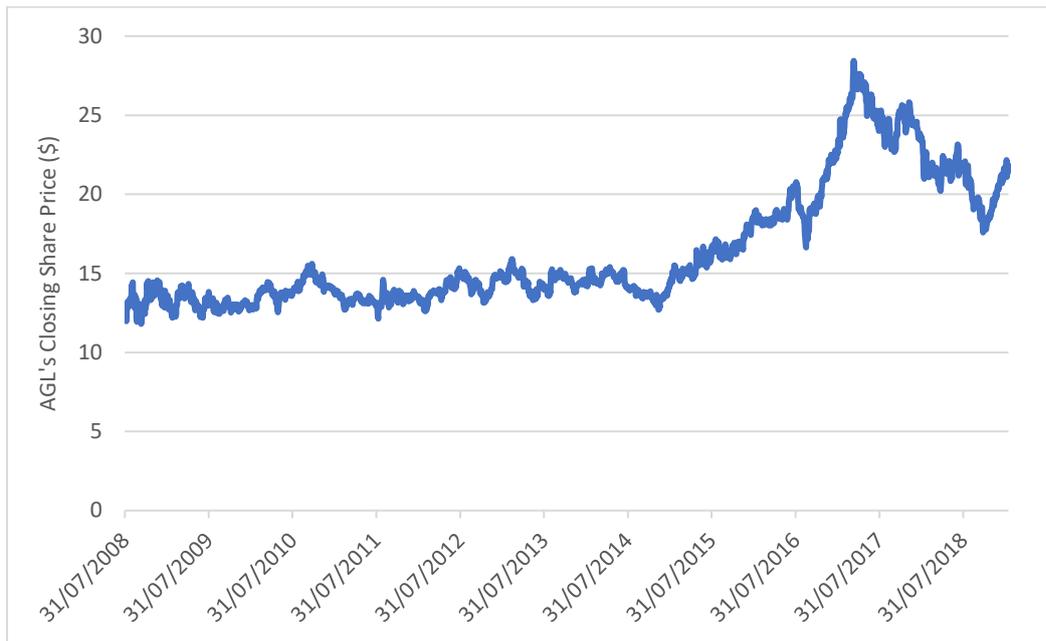
10.6 AGL Energy's Share Price

In assessing the economic constraints on AGL, it is important to identify the trends in its share price. Figure 16 reports the high and low share price in each month between 31 July 2008 and 31 July 2016. Figure 17 provides the market capitalisation of the ASX 200 Utilities Index

between these same dates to enable a comparison between the fluctuations shown in Figure 16 and broader market trends (ASX, 2018).⁶

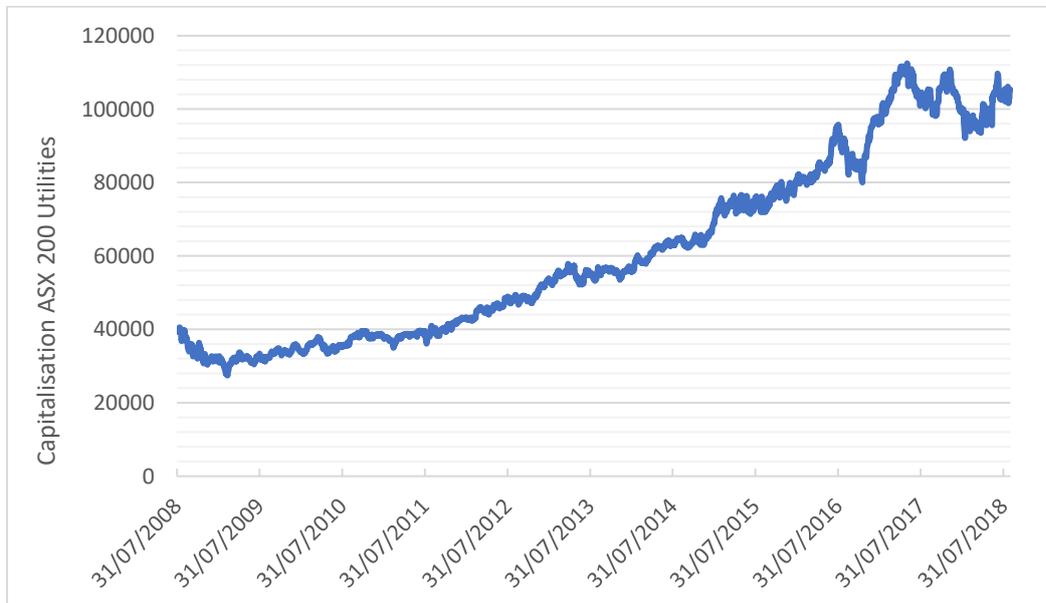
⁶ Market capitalisation refers to the total dollar market value of a company's outstanding shares (ASX, 2018). This is useful to identify as it allows AGL share prices to be compared with broader market trends.

Figure 16. AGL Energy's Share Price



Source: AGL Energy, 2018

Figure 17. ASX 200 Utilities



Source: ASX, 2018

A comparison between AGL's share price and the ASX 200 Utilities Index, between 2008 and 2016, suggests that AGL's share price fluctuations were influenced by some of the key events outlined in the last Chapter. In the context of the setbacks discussed above, Figure 16 shows that AGL's share price was declining through 2014. Initially, in July 2014, when the Government was proposing to change the PPEA Act, allowing the GPP to be approved without a full EIS (changed in August 2014), public concern grew, and consequently share-prices dropped. The highest share price in 2014 was \$14.78 in July, which dropped to \$14.10 in August and \$13.36 in December. In December, AGL hit its lowest share price since its purchase of the GPP when it was \$12.55 a share (AGL Energy, 2018) This occurred following the retirement of Mike Moraza, who many anti-GPP activists believed to be responsible for AGL's strong focus on fossil fuels and an instigator of the shortcuts taken to get approval for the GPP without a full EIS. He left immediately after the discovery of BTEX chemicals, which was when the Government announced its intention to undertake a review of AGL's CSG operations (ABC, 2015a).

The finding of BTEX chemicals, reported two weeks later by AGL in January 2015, initially caused share prices to remain relatively low, although they then rose slightly, reaching \$16.89 in August. During this time Vesey replaced Fraser as CEO and, unsurprisingly, he predicted an optimistic future for the company in AGL's 2015 Shareholder Update, whilst still suggesting that AGL was undecided regarding the GPP (AGL Energy, 2015b, pp. 4-5). Subsequently, as noted above, Vesey moved away from CSG and introduced a Renewable Energy Policy, which involved cancelling all of the company's coal-fired power station projects by 2015 (Macdonald-Smith, 2015). This is probably not surprising, as UBS utilities analyst, David Leicht, emphasised: "Companies generally don't appoint an outsider unless they want change of some sort or other...". He continued: "Commonly this is due to underperformance or wanting the company to change direction" (David Leicht in Robins, 2014). Whatever the reason for the change in personnel and direction, it appeared to have a positive effect on AGL's share-price.

The above share price trends demonstrated in Figure 16 can be compared to Figure 17 which shows no continual decline in the Market Capitalisation Rate between August 2014 and February 2015. As discussed, AGL's share price had dropped in 2014 however, this continual drop in AGL's share price between July and December 2014 is not evident Table 16 which shows that share prices within the ASX 200 Utilities index were continually rising, with only

minor fluctuations (ASX, 2018). This indicates that the events discussed above were caused by company specific factors within AGL, as I argue.

When reflecting back on these changes in AGL's share price with respect to the literature on the power of business, Vogel and Culpepper both emphasise the importance of good corporate leadership in order to provide a socially responsible image and a strong vision for the company and its future. As we saw in Chapter 2, Vogel particularly argued that poor leadership in the 1980s limited the power of US business (Vogel, 2003, p. 12). However, his more recent work has emphasised the increased importance of Corporate Social Responsibility (CSR), suggesting that, if firms are not perceived as socially responsible, "both responsible and sophisticated investors will regard their shares as too risky", so "their sales will decline as a result of media exposure, public protests, and boycotts; and the morale of their employees will suffer" (Vogel, 2005b, p. 19). For Vogel, the benefits of social corporate responsibility include "higher employee morale and a better reputation" (Vogel, 2005b, p. 19); a pattern demonstrated in my case study.

Culpepper also makes the point that good leadership is paramount to maintaining or improving a company and its share price. He argues that managers must be "constantly aware of their share price, limiting their capacity to pursue a long term strategy" (Culpepper, 2010, p. xvi). In addition, Culpepper emphasises (2010, pp. 25-26):

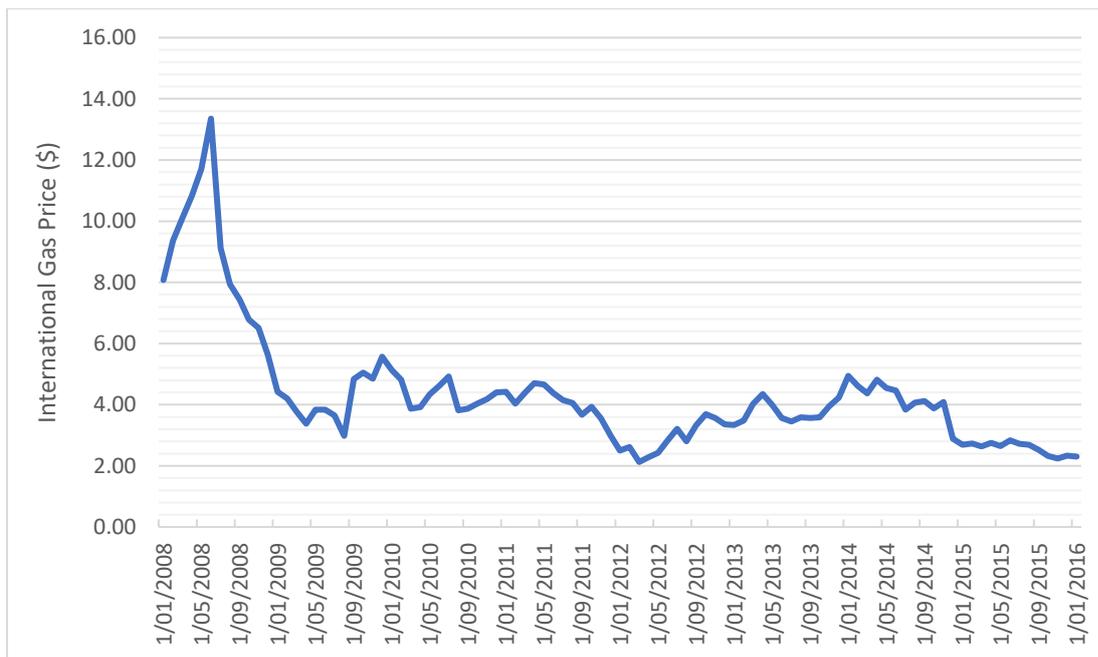
Markets pay close attention to the ability of a company to meet earnings expectations in each quarter, and a failure to meet those expectations causes some owners to sell their shares, and the share price of the company to fall. If the share prices fall to far company can be taken over by new owners, who will replace the management team and attempt to reallocate the company's resources more efficiently.

Although Culpepper was referring specifically to hostile takeovers, the point he makes about the importance of the ability of management to ensure that share prices do not continue to fall is more general. Thus, both Vogel and Culpepper make valuable points that can help us understand the role of a company's reputation and shareholder trust. AGL were aware of the cause and consequences of their falling share prices and this may have informed their decision to change management, appear more socially responsible and gain a "source of competitive advantage" in the process (Vogel, 2005b, p. 19).

10.7 The Gas Market and International Gas Prices

This section will show that declining international gas prices, alongside oversupply and lack of demand internationally, also contributed to AGL’s decision to pull out of the GGP. The price of gas is largely dependent on the international gas price, which had dropped significantly, as we can see in Figure 18 below.

Figure 18. International Gas Prices



Source: Investing.com, 2018

As outlined in Figure 18, LNG was generating lower prices for gas on the international market at the time and during the lead up to AGL’s exit (Investing.com, 2018). More broadly, several factors led to this fall in price and return for companies such as AGL. One important reason is that LNG export agreements are made on long-term contracts, and these contracts are “based on conventions in the Asian LNG market”, which are linked to the price of oil (Cassidy and Kosev, 2015, p. 36). These contracts are for 15-20 years or more. They also often involve lead times of 5-10 years and “are highly capital intensive”. Therefore, companies need to estimate the market for the gas before agreeing upon a contract. This was a situation AGL faced; there was a fall in oil prices, oversupply and lack of demand, which meant insufficient returns for the GGP.

At the same time, it needs to be recognised that CSG companies are deliberately exporting most of their gas overseas, while claiming that there is a gas crisis in Eastern Australia, as a justification for increasing their prices in the domestic market (Cassidy and Kosev, 2015, p. 36). As discussed above, the Australian Government is concerned above the high price of gas for Australian consumers and saw creating more CSG projects along the East coast of Australia, particularly in NSW, as a way of providing more gas and thus, pushing down its price. However, many suggest that the increased gas supply would continue to be exported to improve profits (Janda, 2017).

If the price of gas had remained high on the international market, then the GGP would have been economically viable, and perhaps AGL would have proceeded. The data certainly suggests that AGL's argument that the project was not economically viable was strong, so the company under Vesey appears to have made a sensible decision in changing its business strategy. Vesey's decision to move towards renewable energy also aimed to provide AGL with a competitive edge, and the rise in its share price indicates that this move may have been a success. Again, this appears to support Vogel's view that CSR creates trust among shareholders, leading to further business success. However, here again, business and government are not always on the same page, contrary to Lindblom's view. In this case, business has decided to move away from the Government's general support for fossil fuels. More broadly, the analysis presented here was also supported by number of anti-GGP participants. The next section will outline both pro-GGP and anti-GGP participant responses to AGL's decision to pull out of the GGP both prior to, and following, AGL's announcement.

10.8 Reflections on the Gloucester Gas Project and its Economic Viability

While AGL claimed that "an enormous slump in oil and gas prices" was the main reason for their decision to pull out of the GGP, many community members and experts questioned this claim. For example, Lock the Gate leader Drew Hutton argued:

that is what they would say, wouldn't they? There are simply trying to get a little of pride out of the whole thing... I've got no doubt in my mind that the community opposition played a huge role in their decision as it should have (Casson, 2016)

This view was also supported by the NSW Green Party's Mining Spokesman, Jeremy Buckingham, who claimed that "This decision shows that a social licence is necessary to

operate in a community...” (Chambers, 2016). He further explained that “Coal-seam gas is opposed by the vast majority of people and coal is rapidly losing its social licence to operate in NSW” (Chambers, 2016). Groundswell Gloucester members also argued that AGL had exaggerated its claim that their decision was purely economic. As John Watts argued:

AGL has never disclosed any details of the gas flow measurements from the four contentious Waukivory wells and probably never will. It is probably only the members of the AGL Board who know the real reason for the decision, but it is clear that the project was beset by problem after problem, delay after delay, and much adverse publicity (Watts, 2018, p. 202)

These views were expressed when I interviewed my participants about the likely future of the GGP in 2015 and, then again, following AGL’s decision to withdraw from the project. By contrasting the perspectives of pro-GGP and anti-GGP participants it becomes clear how the different degrees of trust they had towards the Government and AGL influenced their beliefs about the prospects of the GGP. These responses also provide insight into participant’s views on the behaviour of AGL and the role of interest groups and community members in AGL’s decision to exit GGP. I report the findings from the two waves of interviews below, starting in this section with the interviews conducted before AGL announced its decision and then, in the section that follows, with the interviews that were conducted after it had made its decision to pull out from the GGP.

10.8.1 Supporters of the Gloucester Gas Project

Pro-GGP participants had no prior expectation that AGL might move away from CSG and fossil fuels, whereas anti-GGP participants largely saw it as an inevitable outcome. In particular, they argued that the project was economically non-viable and suggested that Vesey was moving away from fossil fuels one year before he announced that AGL would exit the GGP. However, the common theme among those participants that believed that the project would go ahead was that AGL had provided sufficient evidence to demonstrate that it was going to do so. Thus, these participants generally agreed that it was going to be business and/or the Government who would make the decision about the project going ahead, without ‘outsiders’, such as protesters and community groups, influencing the decision. However, if the project, unexpectedly, did not go ahead, then this would be because it had proven to be economically non-viable, rather than because of any protest activity.

Participant 8 captures the perspective of many participants who believed that the GGP was going to go ahead. In particular, they had faith that all the appropriate studies had been undertaken:

I don't put up with that rubbish. As I said, the approval authority has given its tick of approval with the input from their regulators, who are significantly the experts. As an example, the NSW Chief Scientist said they could go ahead with controls and no one questions the need for those controls. And no one more than I, because this is my community, I'm not going to do anything to cause damage to my community.

This participant further explained “It is early days” and although “AGL haven’t got the final green tick...the evidence so far seems to indicate that its positive” (Participant 8). They continued: “AGL has a minimal standard for the amount of gas that’s coming out of their exploratory wells, which is the Waukivory Project, and the gas that’s coming out there is ten times that”. Another participant also supported this view, arguing that there was more than enough gas to address a gas crisis in NSW:

they've got four pilot wells out here that they've been able to measure the gas flows...and we know there's plenty of gas there but they're doing the calculations now, on the commercial viability of the project. We expect a result on that next February. So, you know, the Government, I think, the NSW Government are inclined, if the sums come up right, on approving it, because NSW is becoming very short of gas. And we need it... And it's good gas here too. It's about 90 percent pure methane... the gas is there, there's plenty of gas there... But it's the economics of getting it up and piping away and treating it and all this sort of thing (Participant 3).

This is interesting considering, as discussed above, AGL explained that their exit from the GGP was due, in large part, to there not being as much gas coming from the WPP as they had estimated. As such, these pro-GGP participants appear to have been misinformed in their view that there was a ‘gas crisis’ and that enough gas was being produced from the WPP. This aligns with Lindblom’s and Culpepper’s views that, by withholding information, the Government can effectively convince (some of) the public that what is in the best interest of business is also best for the economy; in this case, represented by attempts to push forward on the gas project. However, here it was business that was withholding this information, not the Government. Secondly, there were other factors which limited the power of AGL, including the impact of interest group mobilisation on their reputation; an important factor that Lindblom largely ignores, but Vogel at least recognises.

In contrast, some participants were unsure about the GGP and its likely outcome but they remained adamant that any final decision would be purely a decision based on the economic viability of the project. This view was most effectively expressed by participant 15 who explained that: “A couple of other scenarios are that the company might decide they aren’t going to make any money out of it, they may want to sell it (so that AGL will question) what do you see are the risks? What do you see is the impact that is going to make on you?” Overall, this participant argued that:

It's going to be based on economics. That's what we have been told. Six months of flow data processing what the water coming out is, what the gas is, what the cost of gas that they can get on the market is and then going, is it worthwhile doing it? Is it worthwhile putting in a hole, is it worthwhile selling? (Participant 15)

However, many participants who were unsure of the decision, also believed that “they (AGL) invested a lot of dollars in getting this far and to walk away from it? You wonder how they can just drop it now” (Participant 23). This participant argued that “it's too big a project” and “too important to the state to not go ahead”. As such, “it will go ahead. It may not be next year. It may be 5 years away, but it will go ahead.”

Some participants not only argued that the decision, would be based on economics, but also argued that protesters would have no influence on the final decision. In this vein, a participant argued that “the motion for council to move to buy back AGL’s licence last meeting (was) more of a moral stand, as opposed to where they're really thinking that they could do something” (Participant 23). In his view, this was typical of the ineffective nature of the protests, given that the local council are not the final decision makers. He explained “I think it’s AGL and the Government that will make the decision and not me or the Knitting Nanas” (Participant 23). This view was supported by another participant who similarly argued that “the only decision maker is going to be the Government, whether they approve of it or not. Everyone can have their say, but they're not decision makers” (Participant 3). This participant went on to note that, although “there are people or groups who are trying to influence the decision makers, no one here (in Gloucester) really will make any decisions” (Participant 3). These respondents trusted the Government and business, as we saw in Chapter 6. In contrast, anti-GGP participants mostly thought AGL would exit the GGP.

10.8.2 Opponents of the Gloucester Gas Project

Interestingly, participants who opposed the CSG generally argued that it would not go ahead because it was not only non-viable on social, environmental and health grounds, but also because continued use of fossil fuels was economically unsustainable. Many residents also believed that AGL would not tell the whole story if they exited the GGP. Although these participants felt that such a decision would be largely based on economics, they also argued that AGL was being increasingly pressured to embrace more efficient, sustainable and cost-effective methods of producing energy. Protest efforts were seen as having a significant impact by causing damage to AGL's brand and encouraging customers to change energy suppliers, placing pressure on AGL to exit the GGP and move away from fossil fuels.

When I asked opposing participants what they thought AGL's final decision would be, they all agreed that AGL would pull out of the project. They argued that there was significantly less gas flow than AGL had been hoping for, and, given a fall in global oil prices, and a global shift towards renewable energy, the project was not going to be economically viable. As one participant put it, "they've been monitoring gas and water flow and it's not what they expected it to be. There is less gas, there is less water than they had predicted..." (Participant 5). However, participants did not think it was these factors alone that contributed to AGL's final decision, but rather a combination of reasons. They argued that it was not only "the resources, the crash in prices, and the reduction in the gas price", that lead to AGL's decision to exit, but it was also "the coming expense of competition of AGL" with other companies, particularly with the declining demand for fossil fuels and the falling price of gas (Participant 25). This was also sometimes viewed as part of a broader shift in the mood of public opinion towards fossil fuels. For example, one participant argued that they had seen "in the last 12 months (December 2014 until December 2015), particularly there's been a discernible shift in the community and the world, in relation to global warming issue. And I think that is helping us" (Participant 25). This global shift towards combating climate change and embracing renewables, combined with the fall of oil prices and disappointing gas flow from the WWP, is what would lead to a decision to exit the project according to this participant along with the pressure that Groundswell Gloucester, and other community groups, were placing on AGL and its brand. Typically, Participant 25 argued:

...I feel the pressure we put on them the company and the Government has been very effective. I'm sure we've delayed them two or three years, and in that time the value of fossil fuels has gone down. We think we will have won in a few months' time.

He further explained that, although AGL have been trying to demonstrate that they were moving towards renewable energy, they were not yet willing to move away from fossil fuels. He argued that they saw the move towards renewables as nothing more than an attempt to demonstrate corporate social responsibility. Therefore, Groundswell Gloucester were trying to damage their reputation by depicting them as being hypocritical, as a contributor to climate change, rather than an advocate of change, in the hope that this pressure would cause them to change their strategy. As Participant 13 explains:

AGL are trying to pretend that they're into renewable stuff.... they've got a solar panel farm.... But you can't have it both ways. And I think that's what they've been trying to do, is they're trying to say, we're wonderful, we're into renewables, now on the other hand we've got this dirty, electricity producing plant that's based on coal, and we're going to frack the hell out of Gloucester. And so, what we're doing is trying to expose that, and just say well, if you go ahead with this, we will do our best to damage your corporate name... And I think we've done a good job of that. I think we've been relatively successful in that. In trying to make them as a corporation that's not really screening environmental issues (Participant 13).

Not only do these participants see their protest efforts as working, but they also emphasise that the impact of their work was widely acknowledged. One participant 10 in the following way: “the feedback that we're given from people in Government or related to Government, on Government Committees, even in Parliament... the feedback we get is that we are having an impact on the way that those people do things” (Participant 10). This suggests that protesters believed that they were having an influence on the debate, and that it began long before AGL decided to exit CSG.

Other anti-GGP participants argued that AGL knew they were going to pull out of the GGP long before they did, “but according to the consultants everything is hunky dory” (Participant 10). They recognised that AGL had stopped one-third of the investigations that they were doing for the pilot studies, and that they “pulled back when they applied for the loan” because “they don't want to pay too much money because ultimately it could be dead money” (Participant 10). These participants were confident that they were “going to win”, and if they didn't there would be enormous repercussions as: “The backlash will just keep happening and happening

and happening to them... you would have a mass exit from the community” (Participant 16). This certainly suggests that anti-GGP participants were confident that their actions had caused AGL to exit, despite AGL’s claim that interest group mobilisation had no influence, as highlighted above. The next section outlines participants’ perspectives after AGL’s decision to exit and highlights strengths and inconsistencies between their responses above.

10.9 Reflections Following the Cancellation of the Gloucester Gas Project

Although the responses of the eight participants I reinterviewed were mostly consistent with their previous responses, there were some interesting differences, particularly from participants who supported the GGP. These supporting participants, in their 2016 interviews, acknowledged that events that took place in 2015 had indicated that AGL was likely to exit the GGP. In particular, they pointed to the actions of the new CEO Andrew Vesey, especially the discontinuation of testing and staff redundancies. Yet, they still argued that the decision was taken for purely economic reasons. Given the decline in the price of gas, and the less than estimated gas reserves from the WWP, they respected AGL’s decision, although with deep disappointment and concern for the future of Gloucester. Most participants who supported the GGP still felt that the protest had no impact on the final decision, although they admitted it caused delays, making what they saw as an inevitable process more painful than it should have been. Conversely, participants who opposed CSG were overjoyed with the decision, claiming that it was what they had always presumed and intended; according to them the project never was, and was never going to be, economically viable. Although participants who opposed CSG agreed that the decision may have been largely based on the price of gas, they believed that the continual delays had cost the project time and money and had damaged the company’s brand; so, in their view, their campaign against AGL had been very successful. These different perspectives are discussed in further detail below starting with the views of those who supported the GGP.

10.9.1 Supporters of the Gloucester Gas Project

Those participants who supported the GGP argued the final decision was a predictable, but reasonable one, if still immensely disappointing for the community. For example, one Participant 29 argued that “The analysis was that they had to spend a significant amount of money and the returns weren't there...but when they did the analysis, it wasn't enough return

for shareholder's funds" (Participant 29). The participant explained that, although they were disappointed, "it was done on an economic basis and I accept it on that basis" (Participant 29). This was the most commonly expressed view. Another supplemented this by noting AGL's efforts and lack of control over the outcome from the beginning:

They've gone literally as far as they can possibly go. I would have allowed, while this decision was based on the oil problem. Obviously, the cost thing and the position of the oil price nationally, currently. There are responsibilities to the shareholders of the company, so I think from their perspective, they had to make a decision and I can get along with that (Participant D).

As we saw, opponents saw the project as non-viable from the beginning, but another participant argued that AGL could not have been sure of this unless they did the WPP:

Look, you could be cynical and say, "Well, shit, if it was that bad, why the hell did you even bother coming up here?" but unless you come up here and start poking around, you're not going to know (Participant 34).

This participant believed that, when the internal review was conducted eight months prior, at the time when Vesey became CEO, suspicions about AGL's direction arose, given "murmurs that he had a slightly different focus" (Participant 34). Internally, AGL had also laid "probably 10-15 percent of their workforce off. Made positions redundant and claimed other ones...right at that point everyone pretty much got nervous because this doesn't, it's not a good look". It was after the review that AGL had explained "it was retracting... including in Queensland. You're thinking, "Well hang on a minute. What are they retracting?" (Participant 34).

The idea that another company would 'pick it up' was not shared by participants who opposed the GGP, an issue I will return to later. Importantly though, those who supported the GGP also admitted that they were not surprised by the decision, having seen that the exit was a possibility, despite not admitting to this in their previous interviews three months earlier. One participant's view was typical in this respect: "It was probably expected. You look at the results of the WPP and they probably weren't as good as they could have been" (Participant 29). This was a very different response to the one this participant had given previously, when he argued that the project would go ahead.

Generally though, all pro-GGP participants expressed their deep disappointment about the project not going ahead, given they felt that there was a lack of opportunity in the town, so they were saddened about the effect on Gloucester's future. They also expressed frustration with the opposition for acting as if they won, as though their efforts had been a contributing factor to the final decision; a view which was rejected by participants who supported the GGP. The depth of this disappointment and frustration was well expressed by Participant 29:

Communities like ours don't have a lot of opportunities. This was one from further afield that gave opportunity to local people, local businesses, that sort of thing, and that opportunity is gone. It won't come back because it's been ... We're handing the petroleum exploration license back to the Government after they plug everything and rehabilitate everything. All the opportunities that were there will be gone.

Another participant also argued that it was not only a lost opportunity, but also the energy and the time taken up in arriving at the decision made it more painful for the community (Participant 34). He stated: "I've put eight years' worth of time into a Triple C... eight years that's a bloody long time" (Participant 34). This participant argued that "it doesn't matter if it's a dam or a major power line or railway or whatever, it's the lead times that bug the communities...eight years is a ridiculously long" (Participant 34).

This frustration was also exacerbated by the behaviour of participants who opposed the GGP. Indeed, all the pro-GGP participants highlighted the fact that opposing community members, such as Groundswell Gloucester members, were drinking in an alcohol-free zone to celebrate the decision, leading one participant to observe that, "there are some who have broken the law...by drinking in alcohol-free locations" (Participant 29). He saw it as "fairly rude", as "People were skipping up and down the main street, yelling at the top of their voice" (Participant 29). This participant argued that these opposing participants had "No interest in the community whatsoever but I know...I would suggest that a lot of the people that came to this thing were out of town. I would say they have no interest in the future of Gloucester" (Participant 29). Another participant added that he was told that "one of the local television stations brought the champagne for Groundswell to pop the top off while they filmed" (Participant 34). He viewed this as an example of media bias.

In the same vein, another participant emphasised seeing “(the former mayor) with a bottle of wine in the Main Street in an alcohol-free zone” (Participant 30). He described this event as “celebrating the loss of jobs and the people who were employed by AGL”, which “didn't look good” (Participant 30). This participant believed that the media did not assist the situation and that people were “tired of the same socialist brush”, given that the media produces “socialist crap in recent times, especially communist crap” (Participant 30). Like other supporting participants, Participant 34 saw anti-GGP group activities as “trying to tarnish the brand of proponents”, as opposing participants believed that “if you can tarnish the brand of your proponent, that can potentially not make them nervous...make them rethink”. The anti-GGP groups were “always trying to trip things up, trip people up, speakers up, responses up, whatever the case may be”. However, participant 3 argued: “at the end of the day, if the dollars stacked up, and the shareholders are about the dollars; dollars first and probably everyone's reputation second to some degree”. Thus, this response acknowledged that brands can be tarnished by protesters such as Groundswell Gloucester. However, he believed that protest activity did not affect the overall decision. Some would suggest that this is contradictory and that the protest did have some impact on the final decision. Certainly, Vogel suggests that the reputation of a business can affect its profitability, particularly through influencing their shareholders, and this reputation can be influenced by interest group mobilisation and the media.

10.9.2 Opponents of the Gloucester Gas Project

Naturally, participants opposed to the GGP were happy with AGL's decision to pull out from the GGP; as they “danced in the street, we laughed, we cried, we popped Champagne bottles” (Participant 32). The decision “wasn't unexpected”, because opposing participants had “known for some time that the science was always wrong in this area with coal seam gas” (Participant 31). This participant argued that this was “apparent to everybody apart from the previous CEO and board and people in the upstream gas department of AGL”, who refused “to acknowledge what the science was telling them and what other scientists independently were telling them” (Participant 31). They went on to argue that AGL spent “\$1.2 billion” on the GGP according to “an investment analyst”, which they described as “criminal, and the shareholders should be asking the former CEO, Jeremy Maycock, and the Board of AGL, why they continued to throw money at a project that was obviously never going to work” (Participant 31).

Interestingly though, other participants believed that “it is primarily a financial decision by AGL to stop”, which was “reinforced by the fact that they're not selling the exploration licence, they're handing it back in” (Participant 27). This is because “the value of the resource depends on the international market” and when the project was first approved “we were going through a huge spike in energy prices...no one could have ever predicted the huge drop on energy prices” (Participant 28). This same participant also argued that the decision “was based on their reading of the return on investment for their resource and the fact that the resource was not really able to be developed cost effectively” (Participant 28). Nonetheless, another participant contended that the high price of gas was a good excuse for AGL’s exit and it had “given them a good scapegoat to get out and holding face. I think it really is a combination of things. I think: (1) the protest; (2) the de-investment”, the gas flow also contributed, but “all the scientists tried to tell them that” from when the WPP began (Participant 34).

Behaviour which suggested that AGL would be exiting the GGP was also discussed. For example, a participant argued that:

when they pulled out of their applications to do pilot testing further south, in stages 2 and 3, places that was a real indication that there was something amiss. Then on the 15th of December they shut the wells in Waukivory Pilot. Again, they put spin on it. They said, "Oh no, we're not flaring and extracting gas because we need it to build up to test the pressure" (Participant 27).

This was, according to this participant, because “they can't let anything slip, because shareholders, you know, insider trading information type stuff” (Participant 27).

All opposing participants also agreed that AGL’s exit was predominantly due to the fall in international gas prices. However, again, they emphasised it was not the only factor that had led to AGL’s demise in Gloucester. The following participants view was typical in this respect who, like other opposing participants, argued that: “the viability of the project always depends on the cost of implementing the project and implementing the project in an unwilling community is always going to be more expensive. There a range of factors contributing to the decision” (Participant 28). These factors included time delays and the immense pressure placed on investors and customers, which anti-GGP activists pointed to as factors that had damaged

AGL's brand. Another participant also agreed that the decision was "mainly economic", but, as the share price trends indicate, there were outside influences which was demonstrated by the "fact that the day after they announced they were pulling out of Gloucester, their share price rose one percent" (Participant 27).

Overall, the battle was evocatively described as "a death by a thousand cuts" (Participant 32). This participant argued that the project was always non-viable, but "the more that the gas prices dropped, the more chance we used to think there's got to be a point where it's totally unviable" (Participant 32). More specifically, the participant described the campaign against AGL as "terribly successful. Gloucester outsmarted them. We have it on all levels. We have it from the brains trust that are working in the background that no one sees working, working, working on science" (Participant 32). Another participant expanded on this point, stating that "people in this community (Gloucester) were plugging away at AGL to keep them honest, to keep those problems up the top. We (opposing residents) believe that probably had more influence than the noisy protests", although "it was a combined effort" (Participant 27). What makes Gloucester unique is "people constantly pointing out the problems. The legal problems, the political problems, the environmental", as "protesting is not enough" (Participant 27). It was "all of the people with expertise in the community were constantly pointing out these things that (AGL) could not deny":

Whereas I think a lot of other places... that's why they're not doing so well. They don't have that sort of expertise... we've got certain professions and they can contribute that to the community. The time delays. The time delays in getting the pipeline approved. The time delays in getting each and every pilot approved... they (AGL) have not undertaken any action under their Part 3a Approval. In other words, they haven't undertaken any commencement of the project, any construction, any commencement, because they didn't have approval (Participant 27).

According to this participant, further delays included "the Extracted Water Management Strategy", which was "meant to be done in about six months, and it has taken two and a half years" (Participant 27). AGL have had "all these extra costs, and they're extra costs because of the public demonstrations of various aspects of the project" and interest group activities that have been influential in damaging AGL's brand (Participant 27). This has led to "the big statements that AGL is now making, not just because of this project, but this is a big part of it, that they want to go into renewable energy, that they want to get out of coal powered power

stations” (Participant 27). They went onto explain: “Citigroup, for example, sent some of their analysts up here and got some really good information”, which included “some pretty negative stuff about the environmental aspects of investing in CSG in Gloucester” (Participant 27). The anti-GGP movement also published their work widely, which was described as “a deliberate campaign” that was “engineered by Groundswell Gloucester” to talk to superannuation funds and investors, Citigroup, and AMP...” (Participant 27). He continued: “those people then made public statements about the financial cost of the environmental issues, and long-term investment...that would have impacted on shareholders” (Participant 27). They concluded that: “it was a combination of “increased costs per well, and even just the public opinion costs, and not as much gas” (Participant 27). Thus, in the words of another participant, it was the “eight-months delay” caused by changes to legislation and other events discovered by Groundswell Gloucester which “bought us (opposing residents) some time, but it also allowed for things to kind of get delayed; for Vesey to come on board and quickly realize that this was just a no brainer” (Participant 31).

These examples, alongside the opinion of professionals, share price trends and Vesey’s strategic business direction appear to indicate that AGL recognised that the GGP was not viable, particularly because their brand was suffering due to the continual pressure from interest group mobilisation. Leadership was also paramount as acknowledged by opposing participants, as “It took a new CEO to walk through the door and say, “what the hell is going on here?” It has not been viable, and it's never been viable... this is not happening” (Participant 31).

As regards Gloucester’s future, most participants expressed largely positive views, feeling that the region had been saved from environmental destruction, and that economic prosperity would increase. One participant drew on a personal example to support his claim: “a fellow whose been trying to sell his house for six years, with no one looking at his house, had four interested parties the next day, interested in his house”. He continued “four houses have already sold”, two weeks after the exit (Participant 31). This notion was supported by another participant who was thanked by an elderly resident living in Gloucester for the protest efforts:

it was the most touching thing. He must nearly 86 to 90 years of age now. He held my hand and he just looked at me and said, "Thank you." He said, "I've been so worried about my valley." He said, "Thank you for protecting our beautiful valley" (Participant 32).

This participant went onto explain that residents who supported the GGP “are now saying it was (the decision to exit) nothing to do with the protesters, anyway”, rather “it was purely an economic decision” (Participant 32). He also reported that a real estate agent in town, who supported the GGP, was now saying in response AGL’s exit: “This is great for business. People are coming to Gloucester, now, and they're making inquiries into housing” (Participant 32). Previously, this resident had been claiming that CSG, and similar industries, were good for Gloucester.

In response to being questioned about drinking in an alcohol-free zone and the origin of the bottle of champagne that they popped, one participant 32 responded that:

Jackson Vernon did bring us a bottle of champagne. We have a really good connection with the media. Some of them are really great. He's been with us and seen us laugh and cry. He's been on our veranda, he's been on everyone's veranda. He bought us a bottle of champagne to celebrate. He was happy for us, because he'd followed our story all the way through (Participant 32).

This reinforces Vogel’s idea that interest group mobilisation, paired with a strong relationship with the media, can significantly influence political and business decisions by changing the public agenda. However, in this case it was business, rather than Government, that was influenced, which, again, is a point that Culpepper and Lindblom underemphasise. It is a point that Vogel, to some extent, acknowledges, in his discussion of the growing importance of CSR, although the participants who opposed CSG thought that AGL demonstrated little CSR until they were forced to do so. As such, after their exit, it was evident that AGL was attempting to act as a good corporate citizen by implementing the \$2m legacy fund for the community; a move designed to improve their damaged image.

In interviews, the legacy fund was also discussed by those who had opposed the GGP. Whilst participants who supported the GGP saw it as a reasonable effort to support the community in unpredictable circumstances, those who opposed the GGP were dissatisfied that the money was in the control of an unpopular, pro-business, local politician, and thus, they felt, likely to be used to further interests of industry. This perspective was effectively illustrated by the following participant:

The two million is a gratis, feel good, legacy...they've now stuffed it by putting Michael Johnson, or reportedly putting Michael Johnson, the Liberal MP ... Probably, but that shows that they have no understanding of his rapport within the community. Over the merger situation, he has lost his credibility even with his own National Party members. For AGL to now put him as a trustee, or a whatever, of this trust fund is crazy. I've told them that (Participant 27).

This view was reflected in the meeting, as numerous residents complained to AGL about the fact that the legacy fund was being controlled by Johnson, and, thus, funds would be distributed to the Gloucester region, and not just to the Gloucester community who had been mostly impacted by AGL. One participant commented that “the only justice (they’ve) we've got from AGL is for them to say this is an economic decision when they've (AGL) spent 1.2 billion dollars on a lemon” (Participant E).

Overall, this section has outlined participant responses to AGL’s decision to exit. Participants who supported the GGP were dissatisfied with the decision, but there were also some contradictions between their responses between 2015 and 2016. Participants opposed to the GGP were more consistent in their responses; they were excited about the future of Gloucester, but also frustrated about the duration of the debate. Their argument is also consistent with some of the findings of this thesis. Certainly, it does seem to be the case that interest group mobilisation and the media affected AGL’s decision to finally pull out from the GGP, as demonstrated in the fluctuations in AGL’s share price during the duration of the WPP, and the other evidence that has been presented both in this Chapter as well as elsewhere.

10.10 Conclusion

This Chapter has demonstrated that AGL’s exit from the GGP, in February 2016, was largely driven by economic factors, as AGL claimed. The international price of gas had dropped and, due to long-term contracts and development lead times, the project was not economically viable. However, we also need to acknowledge the other costs which AGL faced as a result of delays to the project and the events discussed in Chapter 8, which damaged AGL’s brand and reputation, a damage arguably reflected in their share price, and which was strongly affected by interest group mobilisation and media coverage.

Residents opposed to the GGP certainly believed that their campaign to delay the project and tarnish AGL's brand was successful, and this affected their financial bottom line often linking this with their decision to appoint a new CEO, who had a new business strategy, involving a move away from fossil fuels and towards renewable energy. Certainly, my findings support Vogel's argument that the success of business depends, in part, on the public's perception of the economy. Despite the denial from AGL and residents who supported the GGP, interest group mobilisation efforts, alongside the efforts of the media, were clearly a contributing factor in AGL's decision to exit from the GGP.

However, these findings also challenge some aspects of the traditional literature on the power of business. Lindblom suggests that the relationship between business and Government is most important as they assist each other in achieving their economic goals. This is because issues favoured by business and Government are deliberately kept off the agenda. In contrast, Culpepper and Vogel claim that scandalous new stories force the Government to respond to such issues to strengthen their re-election chances. However, in this case study, the interest groups are largely trying to change the public agenda by *influencing the behaviour of AGL, not the Government*; indeed, the Government has continued to support the mining industry and the use of fossil fuels as an energy source. Interest group mobilisation, underpinned by strong leadership, and expertise, along with pressure from the media, created numerous delays in the project (as seen in Chapter 8), which led to significant costs for AGL.

Finally, as this case study suggests, in keeping with Vogel's argument, that CSR is playing an increasing role because companies see the image of their brand as important in maintaining and protecting their future profits. AGL became increasingly concerned with their image, largely because of interest group mobilisation against the project, and associated media coverage forced them to do so. Consequently, particularly after their withdrawal, AGL increasingly focused upon their role as a socially responsible corporate citizen with the aim of establishing more trust between it and its customers and shareholders. This is a development acknowledged by Vogel, but it is underemphasised by Culpepper, and not considered by Lindblom. As numerous participants suggested, it is likely that, if the price of gas was high internationally, with projections of a continuation of high prices in the future, AGL would have proceeded with the GGP. However, this is not to deny that there were, and would have always

been, other limitations placed on AGL, such as the economic costs associated with delays and CSR. This case study thus identifies gaps within the literature on business power, which I return to in the conclusion.

CHAPTER 11

CONCLUSION

11.1 Introduction

Lindblom argued that business and Government have an exchange relationship where business holds a privileged position in policy making. However, as discussed in Chapter 2, there have been numerous critics of Lindblom's work. In this thesis, I have concentrated on the work of Vogel and Culpepper, identifying the following key elements in their critique of Lindblom: first, Vogel's argument that the relationship between business and Government, and, thus, the power of business, changes over time; second, Culpepper's view that business tends to 'win' if an issue it is concerned about remains in the quiet arena of politics; third, both Vogel's and Culpepper's view that interest group mobilisation can constrain business power, by making the issue 'noisy'; and, fourth, the view, also shared by both Vogel and Culpepper, that the media can play a crucial role in ensuring that any issue, even one which crucially affects business can make it onto the political agenda. This is because as issues become 'noisy', Governments feel compelled to respond, even if business would otherwise want the issue kept in the quiet arena of politics.

This thesis has critically examined the key arguments of Lindblom, Vogel and Culpepper, detailed in Chapter 2, through analysing a case study of the GGP. More specifically, it has addressed five research questions. The first section in this Chapter returns to those research questions summarising my findings in relation to each of them. The second section then outlines the empirical and theoretical contributions made by this thesis. Next, the third section acknowledges the limitations of the research, before the final sections suggests some directions for future research.

11.2 Research Findings

In this section, I revisit the five research questions addressed in this thesis. These questions provide insight into both the outcome in Gloucester, and also, more broadly, the limitations that exist on business power.

11.2.1 How noisy was the debate?

According to Culpepper, the noisiness of an issue limits business power by creating concern amongst the public, and this was certainly evident within my case study. According to both Culpepper and Vogel, business and Government try to keep crucial issues away from the public arena but this is not always possible. For example, Lindblom, argued that the exchange relationship between business and Governments meant that business could often keep 'grand majority' issues off the agenda, so that only 'secondary issues' get publicly debated and discussed (Lindblom, 1977, pp. 142, 204-205). However, this thesis has shown, as Vogel and Culpepper suggest, that 'grand majority' issues can come to the forefront of public concern through the actions of interest groups, especially when the media publicises the issue. Thus, Chapter 3 showed how contentious the issue was, with the community clearly and strongly divided, while Chapter 7 showed how these divisions played out, with anti-GGP activists particularly keeping the issue at the forefront of debate, and both sides pursuing tactics which accentuated those divisions. Certainly, protests such as CSG blockading, and the backlash associated with that protest, became noisy and, thus, it was an issue that was impossible to keep politically quiet. Interestingly, the noise was generated on both 'sides' of the debate, although the anti-CSG activists were undoubtedly noisier. Here, business and Government totally failed to keep the issue off the public agenda; quite the contrary in fact.

At the same time, noisy issues certainly make for a good news story. The media coverage generated about the CSG debate, due to the efforts of interest groups, meant that the issue firmly made it onto the political agenda. Culpepper suggests that the media can often bring issues that business and Government want suppressed onto the political agenda by highlighting scandals (Culpepper, 2010, pp. 4-5). In this case, there was extensive coverage in the media of three 'scandals' which anti-GGP activists brought to their attention. As we saw in Chapter 10, these scandals seem to have had some influence on AGL's share price and, thus, arguably had an impact on its decision to withdraw from the GGP.

11.2.2 How influential was interest group mobilisation?

Interest group mobilisation was crucial for keeping heated discussion of CSG on the public agenda, revealing scandalous news stories and, thus, limiting AGL's business power. By using

their expertise and the media, interest groups become a major check on business and Government as they brought the scandals to light. As noted, both Culpepper, and particularly Vogel, discuss Ralph Nader who, through effective interest group mobilisation, was able to effectively shape public opinion, leading politicians to respond to the public's concern (Vogel, 2003, p. 25, 101-102, Culpepper, 2010, p. 6). This case reveals some relevant and crucial points about this argument.

Vogel particularly emphasised this point and the importance of interest group mobilisation in provoking political change. In his view, interest groups “do not form spontaneously”, rather they “require leadership and resources” to be effective (Vogel, 2003, p. 101). They also need to possess “considerable expertise” and be able to use the press in their campaigns. As such, Vogel argued that the success of interest groups was dependent on having a “number of extremely competent, well educated, and highly motivated people (working for activist organisations” (Vogel, 2003, p. 103). Importantly, the anti-GGP activists in Gloucester possessed these skills and contacts.

In particular, Groundswell Gloucester, and other anti-GGP participants, were experts in fields which facilitated and helped them in their opposition to the GGP. For example, activists within Groundswell Gloucester included a barrister, other legal experts, a hydrologist, a geologist and a policy expert. As these residents were mostly retired, or working part-time this meant that they were able to spend a significant amount of their time researching and exploring the behaviour and decision making of both AGL and the Government. Other members assisted in organising protest, networking and other interest group activities. The Groundswell Gloucester activists also displayed strong leadership skills and a capacity to research and manage the media. Vogel emphasises that the use of time, resources and leadership skills are all crucial aspects of effective interest group mobilisation, and these were clearly important in the case examined here.

The particular strategy that Groundswell Gloucester opted to pursue also reflected their knowledge and expertise. They recognised that AGL's strategy was to protect its corporate name, its brand, so they concentrated on trying to make AGL realise that CSG and the GGP

“was more trouble than ... it was worth and to undermine investor confidence in AGL and its Gloucester activities” (Watts, 2018, p. 69). Their identification and use of three scandals were particularly important in realising this strategy and in helping them to promote their cause.

So, as discussed in Chapter 9, various scandalous news stories were brought to light largely through the actions of Groundswell Gloucester members and its supporters. In the case of the first scandal, the Government had allowed the GGP to be approved with only a REF, rather than a full EIS. When Groundswell Gloucester discovered this information, they informed the Government, but were ignored twice before the law was retrospectively changed to legalise AGL’s approval (Hannam, 2015b). At first sight, this example reveals the privileged position of business, as emphasised by Lindblom. But, despite AGL's early win with this outcome, this issue was to become the first of three negative media stories which damaged the company’s reputation.

The second case involved the discovery by Groundswell Gloucester that AGL had failed to report the banned chemicals BTEX that it had found in groundwater surrounding its wells (AGL Energy, 2015c, Hannam, 2015e, Groundswell Gloucester, 2015). Although these chemicals were found to be naturally occurring, and presented no regulatory breach, they are still considered dangerous to human health and were not reported immediately to the Government. During interviews, anti-GGP activists highlighted their belief that this story damaged AGL’s brand and created feelings of anguish and distrust towards both AGL and CSG.

The third issue concerned AGL’s undeclared political party donations. Groundswell Gloucester members and supporters “spent hours researching AGL political donations” (Watts, 2018, p. 109). They quickly found that donations that were reported to the electoral commission were not appropriately reported to the Department of Planning. This left both interest groups and other members of the community distrustful towards AGL as well as the Government, as the Department of Planning did not conduct “spot checking of its own” (Watts, 2018, p. 122, Hannam, 2011, Hannam, 2015i, SBS, 2017) This matter was taken up by the media who put

pressure on the Government to investigate and prosecute AGL. In effect, it showed how a well organised interest group, particularly with media support, can challenge business power.

Culpepper argues that political parties rarely play a role in corporate control because such issues are too complicated for politicians, let alone voters, to understand. So, for Culpepper, but not Vogel, these issues are left in the hands of business, leaving them with significant power as their actions go largely unchecked (Culpepper, 2010, p. 9). However, this thesis shows that interest groups can act as a major check on Government and business and that their expertise and knowledge should not be undervalued. Groundswell Gloucester had expertise, and acquired more throughout the period, identifying major failures of Government and AGL, and continually putting pressure on AGL to rethink the GGP and their business strategy.

Protest activity and the use of social media were important aspects of this interest group mobilisation. In particular, anti-GGP activists “used social media extensively” to network and recruit members, seeing its use as crucial in encouraging participation and deepening democracy (Watts, 2018, p. 74). As previously discussed, my participants also emphasised how they used social media to generate awareness of issues, network with other group members within the community and across NSW to mobilise and protest. This also involved efforts to support and motivate other more socially conservative residents to join in protest activity. This frustrated CSG supporters who saw this activity as an enormous hindrance in getting the GGP to progress. Overall, however, protests organised by opposing interest groups were successful in ensuring that CSG remained a noisy issue. Certainly, in this case, the effective use of information and resources by interest groups appears to have had an impact on changing views towards AGL and CSG; an important finding within this thesis and one which fits with Vogel’s putative view of the importance of interest group mobilisation.

Indeed, this conclusion relates to both Vogel and Culpepper who stress the effect of interest groups on Government. Vogel sees interest group mobilisation as a means of pressurising Government to respond to public, rather than business pressure (Vogel, 2003, pp. 25, 101-102). Similarly, Culpepper argues that interest groups can bring issues onto the agenda, even if business opposes that, thereby forcing the Government to respond. The case considered in this

thesis follows a different pattern (Culpepper, 2010, pp. 4-5) in which interest group mobilisation was directed much more against the company than against Government. In the view of Groundswell Gloucester activists, the Government had an agenda that was both economically and ideologically driven. As such, they felt it would be most effective to target the business directly, with the aim of damaging AGL's reputation and their brand. Interest groups saw this as the only effective measure to facilitate political change and by using the media as a key tool.

11.2.3 What was the role of the media in relation to the manipulations of volitions?

For Lindblom, much of business' power is based upon the manipulation of volitions; whereby business and Government equate the interests of business with the interests of society (Lindblom, 1977, p. 203). This view was clearly evident in the perspectives of those participants who supported CSG. However, the perspectives of those who opposed CSG, and of most of the media, were very different. They saw CSG and AGL as undermining the environment and damaging the future of the community. So, despite Lindblom's assertions, in this case, volitions were not manipulated through the media, and the ideological hegemony of business was not promoted as being in the best interest of society; rather, it was often seen as a threat to the common good (Lindblom, 1977, p. 202). As such, much of the media, and especially the *SMH*, was, instead, a threat to both business and Government.

Two other points are important here. First, in part this opposition to CSG reflected the news value of the scandalous stories discussed above. As Culpepper argued, "media outlets are not concerned primarily with making democracy work better. Their more immediate goals are to break big stories and to return a profit" (Culpepper, 2010, p. 7). Second, the pre-existing relationships that existed between certain members of Groundswell Gloucester and the media, and their further development over time, helped the interest group to bring these scandalous news stories to light, so that volitions were not manipulated (Marsh, 1983, p. 5). Groundswell Gloucester formed what a key member of the group, John Watts (2018, p. 70 - 71) described as, "professional relations with both Peter Hannam from the *SMH* and Joanne McCarthy from the *Newcastle Herald*". Watts also noted that "it was sometimes difficult for me to judge which issues might get some traction in the mainstream media". As such, he learnt to get a journalist

to ‘buy into’ his story before he sent out a media release to all of his journalist contacts (Watts, 2018, p. 74).

As Chapter Eight explained, both supporting and opposing CSG participants felt that the media favoured the anti-GGP side of the debate, in that the pro-GGP side of the story was not often reported. As one participant put it, newspapers were not interested in writing a story about a happy dairy farmer, as that would not sell papers (Participant 1). Thus, supporters of CSG felt that the media exaggerated and dramatised news stories, while opponents of CSG felt the media was simply telling the truth, with the stories it printed being particularly newsworthy. As such, Groundswell Gloucester and other opponents of CSG felt that the media had provided them with generous amounts of publicity. For Groundswell Gloucester, the media was their most vital tool for releasing information and undermining AGL’s reputation. This reflected Vogel’s view that the media are a powerful tool, in quoting the words of a manager:

Sixty seconds on the evening news tonight is all that is required to ruin a reputation, turn a politician out of office, or impair a company’s profitability. The power of the press with today’s methods of mass communication has become, in short, the power to destroy. (Vogel, 2003, p. 214)

In this case, the media generally opposed the GGP and this represented a threat to AGL. News stories generated concern amongst the public, and affected share prices, an issue I return to below. However, again, a prevailing view in the critical literature is that the direct influence of media on Governments, sensitive to their electoral chances, is foremost. As Culpepper puts it: “When voters pay attention to an issue, politicians will start paying attention to the public” (Culpepper, 2010, p. 7). However, this was not so much the case here, rather Groundswell Gloucester, along with the media, put pressure directly on AGL. In the view of Groundswell Gloucester, putting pressure on the Government would have been ineffective, which is why it was important to target AGL’s reputation and AGL’s shareholders.

11.2.4 How important are contextual and economic factors in determining the power that business holds?

Vogel argues that it is the public’s perception of the economy that affects the power of business, because: “The relative political power of business is not a function of the business cycle. Otherwise, the political power of business would be more unstable than it actually has been”

(Vogel, 2003, p. 8). However, the Gloucester case shows that both economic performance and the public perceptions of it were both important in determining the outcome of this case. Firstly, it is clear from the steep drop in gas prices that it would have been less economically viable for AGL to continue with the GGP. What is more, if the price of gas had increased, the long development lead times involved in the GGP would have made the project an economic risk. However, interest group mobilisation created significant delays and associated costs for AGL, which, I argue, may have affected shareholders perceptions of AGL's brand and its likely future economic performance, and, thus, its share price. Indeed, in Chapter 10, we saw that AGL's share-price fell in response to media coverage of the CSG issue in Gloucester, and particularly, the scandals that were widely reported in the media.

11.2.5 What are the key factors that constrained business power in this case?

Overall, this thesis suggests that the key factors that prevented AGL from going ahead with the GGP were, firstly, and most predominantly, economic factors, including the international price of gas and AGL's falling share price. However, interest group mobilisation also constrained the power of AGL in creating numerous delays, costs and damage to AGL's reputation and brand. As both Vogel and Culpepper contend, interest group mobilisation can be an incredibly powerful tool for limiting business power. In this case, a group of well educated, informed individuals, who were willing to spend considerable amounts of their own time and energy, created relationships with other powerful interests (especially the media), and used their expertise to damage a company by deliberately exposing 'scandals' concerning their business practices and relationship with Government.

Of course, it is difficult to determine whether interest group activity, backed by the media, would, by itself, have led AGL to exit the GGP, without the international drop in gas prices. Nonetheless, this thesis can conclude that the efforts of interest group mobilisation did appear to generate significant financial costs, impacting AGL's reputation, and making the GGP less economically viable. In particular, interest group mobilisation appeared to have a major effect on share price trends. As we saw, its share price seems to have been affected by media coverage of the 'scandals'. It is also worth pointing out that AGL's share price rose significantly after Andrew Vesey became CEO and AGL exited the GGP, and at the same time committed itself to more sustainable energy alternatives. In short, interest group mobilisation had an important

impact on the economic factors associated with the project, constraining AGL actions and contributing to their exit, despite their claim that this exit was “purely a business decision” (ABC, 2016, AGL Energy, 2016f). As such, interest group mobilisation affected AGL’s decisions because of the effect of this mobilisation on its reputation and brand. However, the interest group mobilisation operated in combination with economic factors which had an effect well beyond this particular project in Gloucester.

11.3 Contributions to the Literature on the Power of Business

This thesis has made both empirical and theoretical contributions to the literature.

11.3.1 Empirical Contributions

This thesis provides a detailed analysis of how the CSG issue played out in Gloucester, a case which attracted wide media attention. At the same time, the case is situated within broader debates about CSG in Australia and, particularly, important debates about the power of business in contemporary politics. By utilising the literature on the power of business, the thesis provides a more sophisticated analysis of the role of interest groups, the media, AGL and the Government, and of the interactions between these actors.

The business power literature led me to focus particularly upon the question of how interest group mobilisation, particularly when linked to a sympathetic media, can constrain the power of business. This study explores the conflict which occurred in Gloucester around the issue, demonstrating just how noisy the CSG issue became. It particularly shows how the groups opposed the GGP by using their expertise and connections with other key groups, particularly through social media. They also developed important relationships with the conventional media, which enabled them to get wide coverage of a series of scandals involving AGL. Crucial among those activists opposed to GSG were a number of retirees, or as they were called by some, ‘treechangers’, who possessed valuable resources, such as time, money and expertise, which, as this thesis demonstrates, are very valuable assets for any interest group.

11.3.2 Theoretical Contributions

This thesis makes a number of key theoretical contributions. Culpepper and Vogel recognise weaknesses within Lindblom's work, suggesting that business is not always, and inevitably, powerful. My thesis would broadly support this conclusion, but it offers some important qualifications or additions to Vogel's and Culpepper's consideration of the constraints on business power, three of which seem particularly important.

11.3.2.1 Interest Group Mobilisation against Companies, rather than Government

Both Culpepper and, to a lesser extent, and Vogel claim that interest group mobilisation places pressure on the government to consider public concern about an issue, with the Government likely to address those concerns because of electoral considerations. In contrast this case shows that the interest groups opposing CSG felt that the Federal and State Governments had a certain ideological stance, which meant that they would remain committed to supporting fossil fuels, partly due to the tax revenue the industry would provide. For this reason, Groundswell Gloucester, and others opposed to CSG, turned their attention to putting pressure on AGL, aiming to damage their reputation, tarnish their brand and lead shareholders to disinvest. This strategy was, at least to an extent, successful.

Two related points are worth making here. First, despite this opposition within Gloucester, and beyond, to CSG, the NSW Government changed the law to legalise the approval it had given AGL when it had only provided a REF. So, the NSW Government was clearly willing to keep its side of the exchange agreement, even when the issue became noisy. Second, the Federal Government continued to support CSG, even after AGL withdrew from Gloucester and changed its company strategy. Here, the Government was no longer acting to preserve the exchange relationship with AGL but was rather driven by what some might view as an ideological commitment to conventional fossil fuels.

11.3.2.2 The Role of Scandal in Interest Group Mobilisation

A key aspect of the interest group mobilisation highlighted in this thesis concerns the three scandals that Groundswell Gloucester uncovered. These scandals were crucial to the interest group's success because they provided newsworthy stories for an already largely sympathetic

media. As Chapter 8 shows, the links that Groundswell Gloucester had with the media not only provided an outlet for this information, but it also meant that the stories were widely publicised across Australia. As Chapter 10 indicates, the publicity around these scandals also led to a decline in AGL's share price. The point here is that researchers need to focus more on the relationship between interest group mobilisation, scandals and the negative media coverage of business.

11.3.2.3 Business and Corporate Social Responsibility

Vogel emphasises the importance of Corporate Social Responsibility (CSR) in ensuring business success. As noted above, after significant delays on the GGP in 2015, which were, in large part, a response to the effort of interest groups and a considerable drop in share prices, Andrew Vesey was hired as AGL's CEO. Vesey advocated a sustainable alternative to energy options, with a move towards renewable energy. He contended that the company would promote renewable energy and encourage other businesses to work towards achieving Australia's emission targets, in an effort to prevent the impact of climate change.

The exit from the GGP, and the announcement of AGL's new business strategy suggest that the company increasingly thought that fossil fuels were becoming economically less-viable, and that they recognised growing public opposition to their use. This certainty damaged AGL's brand and the case suggests that CSR has had an increasing influence on business success; a point which Vogel argued strongly in his later work. Certainly, concern about the image resulted, at least in part, from the interest group mobilisation against CSG in Gloucester. As such, I would suggest that AGL's increased focus on CSR after its decision to withdraw from Gloucester, was not so much a spontaneous show of CSR, but rather a response to the damage to its brand caused by the activity of anti-GGP interest groups. However, it needs to be acknowledged that there is growing literature which is very critical of the way in which CSR works out in practice (Chadwick, 2017, Vromen, 2016 and Halpin, 2009). Many argue that companies focus on CSR to improve their image as part of the PR strategy. From this perspective, the growing importance of CSR does not reflect a change in the behaviour or culture of big firms, nor, in consequence, does it act as a constraint on the power of business in the way that authors such as Vogel claim. More research is necessary here.

Overall, this thesis adds new understanding to the work of these scholars on the relationship between the media, the process of interest group mobilisation and to the way in which these affected the economic position of business, in this case AGL. It also shows that the opposition to CSG in Gloucester affected AGL's decision to withdraw, and its move to take, or at least say it was taking CSR more seriously. As I argued, Lindblom plays sufficient attention to the role of interest groups and the media. Similarly, Culpeper, underplays these roles, focusing upon the role of interest groups in influencing (or attempting to influence) government (Culpeper, 2010, pp. 4-5), whereas my work shows that they can also play a key role in directly influencing the behaviour of companies. In many ways, my results best fit with Vogel's analysis. However, in my view, my work makes the relationship between interest groups, the media and CSR clearer.

11.4 Limitations

This thesis focuses solely on a case study of the GGP. As such, I cannot support more general claims about the power of business. Neither can one case study provide a comprehensive view of the limitations of business power, given that such constraints may vary across time and space. However, my aim here was more modest; to explore, using this case, some of the putative limitations on business power identified by Lindblom, and particularly Vogel and Culpeper. My conclusions can be followed up in future studies; an issue which I return to briefly in the next section.

There are also limitations in my newspaper study, which utilised the database Nexis.com. In this research, I have focused on five newspapers when analysing news coverage and bias to determine the role of the media in the CSG debate. These were the only newspapers in that database. However, the five major newspapers I have analysed are among the most popular, and influential, in Australia, and give a fair, if not comprehensive picture of newspaper coverage of CSG in Australia. The analysis of other forms of media, such as TV, social media, and radio would, of course, be helpful, but this was beyond the resources for this particular project.

I must also acknowledge that my selection of interviewees was based on finding participants to provide a broad and balance sample reflecting people who were active in the debate in Gloucester on both sides. Since my focus was on how the noisy issue played out within the Gloucester community itself, I did not interview Federal or State politicians or officials. I did, however, scope the views of Ministers and Member of Parliament which were reported in newspaper articles and policy documents and which were an influence on community opinion.

11.5 Future Research

In the light of the above limitations a number of potential future research projects emerge. Firstly, extending the current case study, I would suggest a comprehensive comparative case study approach to CSG across Australia to explore the limitations of business power. As I have outlined, each case study is unique and therefore, the findings drawn from this case study may not be applicable elsewhere. In Queensland, it appears that towns that have faced similar CSG projects, and where there was also strong opposition to CSG, experienced different results. This could be because interest groups mobilisation was not so strong, or sophisticated, or because the CSG industry in Queensland were more committed to the CSG project with greater gas reserves, higher gas prices and, thus, greater profits.

Secondly, I used the topic of CSG to explore the limitations of business power because CSG is a new and complex issue which has caused divisions and much noise within communities, where many appear to distrust the Government and CSG companies. This case study also involves an area where there was a strong backlash, reflected in the media, against a CSG company, thus offering a valuable opportunity to explore the limitations of business power which have been identified in the literature. However, there are other controversial areas where, prima-facie, business appears more powerful, so we should not conclude on the basis of this case study that the power of business is always constrained. Exploring instances where this is the case provides a further possible avenue for future research.

REFERENCES

Newspaper Articles

- ABC. 2011. Coal seam gas legal stoush begins. *Australian Broadcasting Corporation (ABC)*. 17 October, viewed 19 March 2012, <http://www.abc.net.au/news/2011-10-17/coal-seam-gas-legal-stoush-begins/3574590?&date=201110>.
- ABC. 2012a. Coal seam gas appeal dismissed. *Australian Broadcasting Corporation (ABC)*. 28 August, viewed 8 April 2014, <http://www.abc.net.au/news/2012-08-28/coal-seam-gas-appeal-dismissed/4227168>.
- ABC. 2013. Will New South Wales run short of gas by 2016? *Australian Broadcasting Corporation (ABC)*. 23 April, viewed 1 March 2015, <http://www.abc.net.au/news/2013-09-30/gas-shortages-nsw-macfarlane/4980952>.
- ABC. 2014a. Bentley gas protest makes history. *Australian Broadcasting Corporation (ABC)*. 20 May, viewed 22 July 2017, <http://www.abc.net.au/news/2014-05-20/bentley-history/5463800>.
- ABC. 2014b. Credit Suisse estimates millions slashed from AGL's Gloucester CSG project. *Australian Broadcasting Corporation (ABC)*. 26 February, viewed 13 November 2016, <http://www.abc.net.au/news/2014-02-25/credit-suisse-estimates-millions-slashed-from-agl27s-glouceste/5281728>.
- ABC. 2015a. AGL to review coal seam gas business in wake of Gloucester toxic chemical leak controversy. *Australian Broadcasting Corporation (ABC)*. 19 February, viewed 8 May 2018, <http://www.abc.net.au/news/2015-02-18/agl-to-review-csg-operations-in-nsw/6144108>.
- ABC. 2015b. NSW farmers welcome pricing watchdog's CSG compensation plans. *Australian Broadcasting Corporation (ABC)*. 12 December, viewed 10 July 2017, <http://www.abc.net.au/news/2015-12-12/ipart-recommends-neighbours-to-csg-projects-be-paid-compensation/7022994>.
- ABC. 2016. AGL insists decision to pull out of Gloucester purely economic. *Australian Broadcasting Corporation (ABC)*. 5 February, viewed 21 August 2017, <http://www.abc.net.au/news/2016-02-05/agl-insists-decision-to-pull-out-of-gloucester-purely-economic/7142378?pfmredir=sm>.

- AIRD, C. 2015. NSW election 2015: Vote Compass users want ban on CSG and shift to renewable energy sources. *Australian Broadcasting Corporation (ABC)*. 19 March 2015, viewed 3 April 2016, <http://www.abc.net.au/news/2015-03-19/nsw-election-vote-compass-environment-csg-hunting/6329160>.
- AKERMAN, P. 2016. Coal seam gas: How left-wing groups are closing Australia to business. *The Daily Telegraph*. 12 June, viewed 5 March, 2016, <http://www.dailytelegraph.com.au/news/opinion/coal-seam-gas-how-left-wing-groups-are-closing-australia-to-business/news-story/7857970a264587e6fd174587f5991586>.
- BICKERS, C. 2017. Gas crisis: Malcolm Turnbull holds roundtable talks to address supply shortage. *News.com.au*. 19 April, viewed 21 June 2017, <https://www.news.com.au/finance/work/leaders/gas-crisis-malcolm-turnbull-holds-roundtable-talks-to-address-supply-shortage/news-story/f7a46097d33024d3ea5647724b3be1ea>.
- CANBERRA TIMES. 2017. Pragmatism, not ideology, is needed on national energy policy. *Canberra Times*. 19 October, viewed 12 March 2018, <https://www.canberratimes.com.au/national/act/pragmatism-not-ideology-is-needed-on-national-energy-policy-20171019-gz4b5v.html>.
- CASSON, R. 2016. AGL boss abandons coal seam gas for renewable energy. *Gloucester Advocate*. 4 February, viewed 20 March 2017, <https://www.gloucesteradvocate.com.au/story/3707656/agl-boss-abandons-coal-seam-gas-for-a-renewable-future/>.
- CHAMBERS, G. 2014. Grassroots backlash in Gloucester as new protest group protests ... anti-mining protesters. *The Daily Telegraph*. 22 April, viewed 17 August 2017, <http://www.dailytelegraph.com.au/news/grassroots-backlash-in-gloucester-as-new-protest-group-protests-antimining-protesters/news-story/b92a14e25dc2d5588f8cf629946b66c3>.
- CHAMBERS, M. 2016. AGL abandons CSG as prices fall. *The Australian*. 5 February, viewed 8 May 2018, <https://www.theaustralian.com.au/business/mining-energy/agl-abandons-csg-as-prices-fall/news-story/daeb23cbafad4646f091f6236096af4c>.
- CHANTICLEER. 2016. QIC and AGL give big boost to renewable energy target. *Financial Review*. 26 July, viewed 23 March 2017, <http://www.afr.com/brand/chanticleer/qic-and-agl-give-big-boost-to-renewable-energy-target-20160726-gqea9b>.

- CLAUGHTON, D. 2010. CALL FOR MORATORIUM ON COAL SEAM GAS DEVELOPMENT. *Australian Broadcasting Corporation*. 26 October, viewed 26 March 2012, <http://www.abc.net.au/site-archive/rural/nsw/content/2010/10/s3048815.htm>.
- COOK, J. 2016. A brief history of fossil-fuelled climate denial. *The Conversation*. June 21, viewed 12 March 2017, <https://theconversation.com/a-brief-history-of-fossil-fuelled-climate-denial-61273>.
- CORMACK, L. 2015. Environmental groups claim NSW government too slow to act on CSG regulation. *The Sydney Morning Herald*. 28 September, viewed 13 March 2016, <http://www.smh.com.au/environment/environmental-groups-claim-nsw-government-too-slow-to-act-on-csg-regulation-20150925-gjvfw.html>.
- COULTON, M. & LOUSSIKIAN, K. 2016. Abandoned projects a blow for NSW gas supplies. *The Weekend Australian*. 5 February, viewed 22 July 2017, <http://www.theaustralian.com.au/national-affairs/state-politics/abandoned-projects-a-blow-for-nsw-gas-supplies/news-story/a4ad3db3cbbc74d071d645535abd870e>.
- CRIKEY. 2012. Land use and CSG: what rights do property owners have? *Crikey*. February 20, viewed 30 May 2016, <https://www.crikey.com.au/2012/02/20/land-use-and-csg-what-rights-do-property-owners-have>.
- CROWE, D. 2017. Gas supply 'threat to 100 regional cities'. *The Australian*. 26 September, viewed 8 May 2018, <https://www.theaustralian.com.au/national-affairs/gas-supply-threat-to-100-regional-cities/news-story/7ed2c8085e7b39e5625c637d539a3145>.
- DAVIES, A. 2016a. Metgasco accepts \$25m compensation to end CSG at Bentley in NSW Northern Rivers. *The Sydney Morning Herald*. 16 December, viewed 2 March 2017, <http://www.smh.com.au/nsw/metgasco-accepts-25m-compensation-to-end-csg-at-bentley-in-nsw-northern-rivers-20151215-glolpi.html>.
- DENMAN, E. 2012. Strategic Regional Land Use Policy released, but few happy. *Australian Broadcasting Corporation*. 19 September, viewed 13 May 2016, <http://www.abc.net.au/news/2012-09-17/strategic-regional-land-use-policy-released,-but-few-happy/4265534>.
- DENNISS, R. 2014. Three myths the coal seam gas industry wants you to believe. *The Conversation*. 18 March, viewed 13 May 2016, <https://theconversation.com/three-myths-the-coal-seam-gas-industry-wants-you-to-believe-24422>.
- DIESENDORF, M. 2014. Liberal government's ideology threatens renewable energy future. *The Sydney Morning Herald*. 17 February, viewed 3 March 2018,

<https://www.smh.com.au/opinion/liberal-governments-ideology-threatens-renewable-energy-future-20140216-32u2r.html>.

ELMERHEBE, T. 2016. AGL Camden Gas Project to stop production in 2023. *Macarthur Chronicle Camden*. 4 February, viewed 16 July 2017,

<http://www.dailytelegraph.com.au/newslocal/macarthur/agl-camden-gas-project-to-stop-production-in-2023/news-story/1ad393b77a4471387161210094cc125d>.

FARRER, M. & SLEZAK, M. 2016. AGL boss: regardless of climate science, it's time to drop the 'emissions business'. *The Guardian*. 24 February, viewed 8 May 2018,

<https://www.theguardian.com/australia-news/2016/feb/24/agl-boss-regardless-of-climate-science-its-time-to-drop-the-emissions-business>.

FORCEY, T. 2016. Heading north: how the export boom is shaking up Australia's gas market. *The Conversation*. 18 January, viewed 21 August 2017,

<http://theconversation.com/heading-north-how-the-export-boom-is-shaking-up-australias-gas-market-52963>.

FOSCHIA, L. & GERATHY, S. 2015. NSW election 2015: Mike Baird vows to get on with power privatisation immediately. *Australian Broadcasting Corporation*. 30 March,

viewed 15 July 2016, <http://www.abc.net.au/news/2015-03-29/nsw-election-mike-baird-victory-power-privatisation/6356378>.

FRYDENBERG, J. 2018. Energy policy: if governments co-operate, we can lower carbon and cut power prices. *The Australian*. 12 April, viewed 13 June 2018,

<https://www.theaustralian.com.au/opinion/energy-policy-if-governments-cooperate-we-can-lower-carbon-and-cut-power-prices/news-story/814619fedab13713f2b1040b26c91e11>.

GERATHY, S. 2014. New Coal Seam Gas plan unveiled, NSW Government pledges to consult communities over land release. *Australian Broadcasting Corporation*. 13

November, viewed 8 August 2015, <http://www.abc.net.au/news/2014-11-13/new-csg-plan-for-nsw,-pledge-to-consult-over-land-release/5887728>.

GLOUCESTER ADVOCATE. 2014a. Credit Suisse casts doubt over AGL's Gloucester Gas Project. *Gloucester Advocate*. 31 July, viewed 13 May 2016,

<https://www.gloucesteradvocate.com.au/story/2455780/credit-suisse-casts-doubt-over-agls-gloucester-gas-project/>.

GLOUCESTER ADVOCATE. 2014b. Lobby group's focus to Advance Gloucester.

Gloucester Advocate. 9 April, viewed 17 August 2017,

<http://www.gloucesteradvocate.com.au/story/2207895/lobby-groups-focus-to-advance-gloucester/>.

GLOUCESTER ADVOCATE. 2015a. Gloucester Gas Project executives at community forum. *Gloucester Advocate*. 26 August, viewed 21 August 2017, <http://www.gloucesteradvocate.com.au/story/3306512/agl-updates-csg-project-at-forum/>.

GLOUCESTER ADVOCATE. 2015b. Mayor wants AGL out of Gloucester Advocate. *Gloucester Advocate*. 30 January, viewed 18 January 2018, <https://www.gloucesteradvocate.com.au/story/2851610/mayor-wants-agl-out-of-gloucester-dialogue/>.

GODFREY, M. 2016. AGL's makes shock exit from Australian CSG market, Gloucester project to be scrapped. *Daily Telegraph*. 4 February, viewed 20 March 2017, <https://www.dailytelegraph.com.au/news/nsw/agls-makes-shock-exit-from-australian-csg-market-gloucester-project-to-be-scrapped/news-story/16274cb840ee686a1723c390042b5668>.

HANNAM, P. 2011. Secret AGL political donations while seeking CSG approval. *The Sydney Morning Herald*. 11 August, viewed 3 August 2012, <http://www.smh.com.au/environment/water-issues/secret-agl-political-donations-while-seeking-csg-approval-20140808-101yrj.html>.

HANNAM, P. 2015a. AGL's irrigation trial using CSG waste water found to be 'unsustainable'. *The Sydney Morning Herald*. 16 April, viewed 16 August 2015, <http://www.smh.com.au/environment/water-issues/agls-irrigation-trial-using-csg-waste-water-found-to-be-unsustainable-20150416-1mmf82.html>.

HANNAM, P. 2015b. AGL coal seam gas in Gloucester: Government bowed to pressure for urgent amendment, documents show. *The Sydney Morning Herald*. 13 August, viewed 23 August 2017, <http://www.smh.com.au/environment/water-issues/agl-coal-seam-gas-in-gloucester-government-bowed-to-pressure-for-urgent-amendment-documents-show-20150809-givc22.html>.

HANNAM, P. 2015c. AGL in dam storage row as anti-coal seam gas protests hit 100 weeks. *The Sydney Morning Herald*. 2 September, viewed 16 August 2017, <http://www.smh.com.au/environment/water-issues/agl-in-dam-storage-row-as-anticoal-seam-gas-protests-hit-100-weeks-20150902-gjdcke.html>.

HANNAM, P. 2015d. AGL pressure triggered CSG planning shift. *The Sydney Morning Herald*. 13 August, viewed 12 March 2018, <https://global-factiva->

com.ezproxy.canberra.edu.au/ha/default.aspx#!?&_suid=146665190984307683949485142885.

- HANNAM, P. 2015e. AGL suspends CSG drilling near Gloucester after chemical find. *The Sydney Morning Herald*. 28 January, viewed 12 April 2016, <https://www.smh.com.au/environment/sustainability/agl-suspends-csg-drilling-near-gloucester-after-chemical-find-20150127-12zc80.html>.
- HANNAM, P. 2015f. CSG more trouble than it's worth for AGL. *The Sydney Morning Herald*. 14 March, viewed 12 May 2018, <https://www.smh.com.au/business/companies/csg-more-trouble-than-its-worth-for-agl-20150312-1421wi.html>.
- HANNAM, P. 2015g. Family of late anti-coal seam gas farmer George Bender vows to fight on. *The Sydney Morning Herald*. 27 October, viewed 25 August 2018, <http://www.smh.com.au/environment/family-of-late-anticoal-seam-gas-farmer-george-bender-vows-to-fight-on-20151027-gkqv3o.html>.
- HANNAM, P. 2015h. Gloucester council opposes AGL's Waukivory coal-seam gas venture. *The Sydney Morning Herald*. 18 November, viewed 23 August 2017, <http://www.smh.com.au/environment/gloucester-council-opposes-agls-waukivory-coalseam-gas-venture-20151118-gl1z7g.html>.
- HANNAM, P. 2015i. Secret AGL political donations. *The Sydney Morning Herald*. 27 August, viewed 13 August 2016, <http://www.smh.com.au/environment/water-issues/secret-agl-political-donations-while-seeking-csg-approval-20140808-101yrj.html>.
- HANNAM, P. 2016. AGL pleads guilty to 11 breaches of political donations disclosure laws. *The Sydney Morning Herald*. 12 February, viewed 12 March 2018, <http://www.smh.com.au/environment/agl-pleads-guilty-to-11-breaches-of-political-donation-disclosure-laws-20160212-gmsmcl.html>.
- HANNAM, P. 2017. Michael Mann, climate scientist in the crosshairs, says fake news must be fought. *The Sydney Morning Herald*. February 8, viewed 12 December 2017, <http://www.smh.com.au/environment/weather/michael-mann-climate-scientist-in-the-crosshairs-says-fake-news-must-be-fought-20170206-gu688g.html>.
- HARMSEN, N. 2017. Gas supply shortage will threaten nation's power supplies, AEMO forecasts. *Australian Broadcasting Corporation*. 9 March, viewed 21 June 2018, <http://www.abc.net.au/news/2017-03-09/looming-gas-shortage-will-threaten-nations-power-supplies/8337204>.

- HEPBURN, S. 2011. Not quite The Castle: why miners have a right to what's under your land. *The Conversation*. 15 November, viewed 12 March 2016, <https://theconversation.com/not-quite-the-castle-why-miners-have-a-right-to-whats-under-your-land-4176>.
- HERBERT, L. 2014. Santos and AGL sign land access deal with farmers. *Australian Broadcasting Corporation*. 28 March, viewed 19 July 2015, <http://www.abc.net.au/news/rural/2014-03-28/santos-agl-agreement/5352090>.
- HERBERT, L. 2015. NSW neighbours eligible for CSG compensation under new IPART recommendations. *Australian Broadcasting Corporation*. 14 December, viewed 3 March 2016, <http://www.abc.net.au/news/rural/2015-12-11/ipart-report-recommends-seven-recommendation-for-csg/7020784>.
- HINMAN, P. 2011. Dart executives get a roasting on coal seam gas plans. *Green Left Weekly*. issue 982, 18 August, viewed 8 May 2015, <https://www.greenleft.org.au/content/dart-executives-get-roasting-coal-seam-gas-plans>.
- HOGGETT, A. 2014. OPINION: CSG community dialogue potential wasted *The Newcastle Herald*. 17 November, viewed 13 March 2015, <https://www.theherald.com.au/story/2702525/csg-dialogue-potential-wasted/>.
- HORNE, J. 2015. The future of coal seam gas after the NSW election. *The Conversation*. March 20, viewed 13 May 2018, <https://theconversation.com/the-future-of-coal-seam-gas-after-the-nsw-election-38904>.
- HUMPHRIES, G. 2012. Thousands at Bulli CSG protest. *Illawarra Mercury*. 21 October, viewed 22 August 2015, <https://www.illawarramercury.com.au/story/410593/thousands-at-bulli-csg-protest/>.
- JANDA, M. 2017. Gas prices will rise and there's not much we can do to stop it. *Australian Broadcasting Corporation*. 9 March, viewed 12 May 2018, <http://www.abc.net.au/news/2017-03-09/gas-prices-will-rise-and-there-is-not-much-we-can-do-to-stop-it/8340536>.
- JENCHO, G. 2017. Fracking and coal seam gas is no solution to an energy crisis of our own making. *The Guardian*. 21 March, viewed 30 March 2018, <https://www.theguardian.com/business/grogonomics/2017/mar/21/fracking-and-coal-seam-gas-is-no-solution-to-an-energy-crisis-of-our-own-making>.
- KEEN, A. 2017. Last meeting for Gloucester's AGL Community Consultative Committee. *Gloucester Advocate*. 10 January, viewed 29 March 2018,

- <https://www.gloucesteradvocate.com.au/story/4358721/final-meeting-for-the-agl-committee/>.
- KOROLOGOU, M. 2013. NSW Parliament Recognizes Greek Genocide. *Greek Reporter, Australia*. 1 May, viewed 31 March 2015, <https://au.greekreporter.com/2013/05/01/nsw-parliament-recognizes-greek-genocide/>.
- KOTSIOS, N. 2018. Fuel Tax Credits Alliance launches new campaign. *The Weekly Times*. 26 April, viewed 25 May 2018, <https://www.weeklytimesnow.com.au/news/politics/fuel-tax-credits-alliance-launches-new-campaign/news-story/dccf1206b3cf2a5002933479186b3d4b>.
- LAMONT, L. 2011. Court challenge for AGL project. *The Sydney Morning Herald*. 18 October, viewed 13 May 2018, <https://www.smh.com.au/business/court-challenge-for-agl-project-20111017-1ltcy.html>.
- LETTIS, S. 2016. LNG: Having spent \$200b to export gas, is Australia about to import it? *Australian Broadcasting Corporation*. 30 November, viewed 16 March 2018, <http://www.abc.net.au/news/2016-11-24/having-spent-200b-to-export-lng-is-australia-about-to-import/8055164>.
- LONG, S. 2017. Methane emissions from coal seam gas development raise climate change concerns. *Australian Broadcasting Corporation*. 3 March, viewed 30 March 2017, <http://www.abc.net.au/news/2017-02-28/methane-emissions-from-coal-seam-gas-climate-change/8310932>.
- MACDONALD-SMITH, A. 2015. Why AGL's Andy Vesey has energy to burn. *Financial Review*. 9 October, viewed 12 May 2018, <http://www.afr.com/brand/boss/agls-andy-vesey-shift-in-power-20150902-gjd9qu>.
- MARK, D. 2016. Australia's greenhouse gas emission reductions 'not enough to achieve the 2030 target'. *Australian Broadcasting Corporation*. 15 March, viewed 30 May 2018, <http://www.abc.net.au/news/2016-03-15/emission-rates-not-close-enough-to-achieve-the-2030-target/7248126>.
- MATTHEW, K. 2017. AGL fined \$124,000 for donations. *The Newcastle Herald*. 13 January, viewed 20 March 2018, <http://ezproxy.uow.edu.au/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=n5h&AN=DOC6T6TNLB91ONGVWPDM3N&site=ehost-live>.
- MCHUGH, B. 2014. Right to refuse access by mining companies voted down in the Senate. *Australian Broadcasting Corporation*. 7 March 2014, viewed 11 June 2015,

<http://www.abc.net.au/news/rural/2014-03-07/right-to-refuse-access-bill-voted-down/5305882?pfmredir=sm>.

MCKENNA, M. 2016. Minister Matt Canavan breaks Coalition ranks on land-clear freeze.

The Australian. August 13, viewed 20 June 2018,

<http://www.theaustralian.com.au/national-affairs/state-politics/minister-matt-canavan-breaks-coalition-ranks-on-landclear-freeze/news-story/409d3d4bcf56769e8b5c32c34a93749f>

MCNALLY, L. 2015. Gloucester CSG suspension: NSW vows investigation after banned chemical found at site. *Australian Broadcasting Corporation*. 28 January, viewed 11 March 2016, <http://www.abc.net.au/news/2015-01-28/nsw-vows-investigation-after-banned-chemical-found-at-csg-site/6051560>.

MISKELLY, G. & DANIEL, S. 2017. Pilliga coal seam gas project at crossroads as NSW Government considers environmental impact. *Australian Broadcasting Corporation*. 10 April, viewed 16 July 2017, <http://www.abc.net.au/news/2017-04-06/nsw-csg-project-sparks-fierce-debate-over-energy-future/8418102>.

MITCHELL, T. 2016. Stopping Santos: Knitting Nannas Help Kick Off Major Disobedience Campaign Against Pilliga CSG. *newmatilda.com*. January 19, viewed 4 July 2017, <https://newmatilda.com/2016/01/19/stopping-santos-knitting-nannas-lead-the-charge-against-pilliga-csg/>.

MITCHELL., T. 2015. Senate Inquiry Leaves Landowners Without Right To Refuse Access To Mining Companies. *New Matilda*. October 2, viewed 20 June 2018, <https://newmatilda.com/2015/10/02/senate-inquiry-leaves-landowners-without-right-refuse-access-mining-companies/>.

NEWCASTLE HERALD. 2015. State pays \$637,500 to buy back Hunter coal seam gas licences from AGL. *The Newcastle Herald* 3 September, viewed 30 May 2018, <http://www.theherald.com.au/story/3326477/637500-to-buy-back-hunter-csg-licences/>.

ONG, T. 2016. AGL Energy posts \$449m loss on gas write-downs. *Australian Broadcasting Corporation*. 5 February, viewed 9 May 2018, <http://www.abc.net.au/news/2016-02-10/agl-energy-posts-449m-loss-on-write-downs/7154968>.

ONG, T. 2017. Gas shortage: 'Worst fears being realised' as residents most likely to bear cost of shortage. *Australian Broadcasting Corporation*. 15 March, viewed 21 June 2017, <http://www.abc.net.au/news/2017-03-13/residents-most-likely-to-bear-cost-of-gas-shortage/8349790>.

- PARKINSON, G. 2015. Why Alan Jones could become a champion for wind, solar energy. *Renew Economy*. 21 August, viewed 13 March 2016, <https://reneweconomy.com.au/why-alan-jones-could-become-a-champion-for-wind-solar-energy-52138/>.
- PEARS, A. 2016. The solution to Australia's gas crisis is not more gas. *The Conversation*. 4 August, viewed 8 May 2018, <https://theconversation.com/the-solution-to-australias-gas-crisis-is-not-more-gas-63443>.
- PETER, H. 2015. Discovery of toxic BTEX chemicals double trouble for AGL. *The Sydney Morning Herald*. 29 March, viewed 31 March 2016, <http://ezproxy.uow.edu.au/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=n5h&AN=SYD-6IZ96BXVF1019YXIZC3J&site=ehost-live>.
- PRIEST, M. 2014. Power shift to alter environment landscape. *Australian Broadcasting Corporation*. 23 May, viewed 13 May 2016, <http://www.abc.net.au/news/2014-05-23/priest-power-shift-to-alter-environment-landscape/5473222?pfmredir=sm>.
- ROBINS, B. 2014. AGL turns to the US for new CEO, Andrew Vesey. *The Sydney Morning Herald*. 18 November, viewed 20 March 2017, <https://www.smh.com.au/business/companies/agl-turns-to-the-us-for-new-ceo-andrew-vesey-20141118-11p56g.html>.
- SAUNDERS, M. 2014. New Gloucester group challenges anti-mining stance. *Australian Broadcasting Corporation* 24 April, viewed 18 January, <http://www.abc.net.au/news/rural/2014-04-23/nrn-advance-gloucester/5405778>.
- SBS. 2014. NSW puts 'cowboy' CSG operators on notice. *Special Broadcasting Services (SBS) News*. 26 March, viewed 11 November 2016, <https://www.sbs.com.au/news/nsw-puts-cowboy-csg-operators-on-notice>.
- SBS. 2015. AGL has launched a safety review of its gas operations, three weeks after dangerous chemicals were detected at a NSW project. *Special Broadcasting Service (SBS)*. 18 February, viewed 13 March 2016, <https://www.sbs.com.au/news/agl-s-gas-boss-takes-early-retirement>.
- SBS. 2017. Energy company AGL has been fined \$124,000 for breaching political disclosure laws in relation to donations it made in NSW to the major parties. *SBS News*. 12 January, viewed 28 March, 2018, <https://www.sbs.com.au/news/agl-fined-124k-over-political-donations>.
- SMH. 2011. Thousands rally nationally against CSG. *The Sydney Morning Herald (SMH)*. 16 October, viewed 20 March 2015,

<https://www.smh.com.au/environment/sustainability/thousands-rally-nationally-against-csg-20111016-1lr9a.html>.

TARASOV, A. 2016. Knitting Nannas arrested at coal seam gas protest in northern New South Wales. *Australian Broadcasting Corporation*. 19 January, viewed 3 March 2016, <http://www.abc.net.au/news/2016-01-18/knitting-nannas-arrested-protesters-arrested-in-northern-nsw/7096486>.

TASKER, S. & DURIE, J. 2014. AGL appoints Andrew Vesey as CEO to replace Michael Fraser. *The Australian*. 19 November, viewed 15 May 2017, <https://www.theaustralian.com.au/business/mining-energy/agl-appoints-andrew-vesey-as-ceo-to-replace-michael-fraser/news-story/c98303a4145ad9d05352b00eaf1a2311>.

THE LAND. 2014. Farm groups reaffirm CSG land access deal. *The Land*,. 10 September, viewed 2 May 2016, <http://www.theland.com.au/story/3365944/farm-groups-reaffirm-csg-land-access-deal/>.

THE SINGLETON ARGUS. 2014. Land access agreement for CSG. *The Singleton Argus*. 28 March, viewed 8 March 2015, <http://www.singletonargus.com.au/story/2182190/land-access-agreement-for-csg/>.

THOMAS, J. 2015. Where are the coal seam gas wells in NSW? *Special Broadcasting Service*. 20 March, viewed 16 July 2017, <http://www.sbs.com.au/news/article/2015/03/20/where-are-coal-seam-gas-wells-nsw>.

TURNBULL, S. 2015. Knitting Nannas Against Gas and Greed not yet ready to hang up their needles. *Australian Broadcasting Corporation*. 23 December, viewed 21 January 2018, <http://www.abc.net.au/news/2015-12-23/knitting-nannas-against-gas-and-greed-not-hanging-up-needles/7050678>.

WAKATAMA, G. & EVANS, P. 2016. Gateway panel process set up to address land use conflicts slammed by academics. *Australian Broadcasting Corporation*. 12 April, viewed 12 March 2017, <http://www.abc.net.au/news/2016-03-28/gateway-panel-process-slammed-by-academics/7278938>.

WALDHUTER, L. 2017. SA power: Government should be focussed on renewable energy, Greens say. *Australian Broadcasting Corporation*. 15 March, viewed 3 May 2018, <http://www.abc.net.au/news/2017-03-15/sa-governments-power-plan-should-focus-on-renewables/8354240>.

WHITE, L. 2015. Farmers and community members celebrate Metgasco decision. *The Northern Star*. 11 December, viewed 22 July 2017,

<https://www.northernstar.com.au/news/metgasco-shareholders-to-vote-today/2873797/>.

WILLACY, M. 2015. George Bender: Family vows 'huge, huge fight' against CSG as campaigning farmer is laid to rest. *Australian Broadcasting Corporation*. 26 October, viewed 13 May 2018, <http://www.abc.net.au/news/2015-10-26/george-bender-family-vows-to-continue-fight-against-csg/6886014>.

WILLIAMS, R. 2015b. OPINION: Misinformation is not helping CSG debate. *The Newcastle Herald*. 20 June, viewed 19 January, 2018, <http://www.theherald.com.au/story/3180770/opinion-misinformation-not-helping-csg-debate/>.

WILSON, C. 2016. AGL decision to exit coal seam gas industry raises concerns over ongoing economic viability, Interview with Tim Buckley and Drew Hutton. *The World Today*, *Australian Broadcasting Corporation*. 5 Feb, viewed 20 March, 2017, <http://www.abc.net.au/worldtoday/content/2015/s4401019.htm>.

Uncategorized References

ACF. 2018. *Budget 2018-19: Investment in a healthy environment cut to bare bones, while fossil fuel subsidies continue* [Online]. Australian Conservation Foundation (ACF). Available:

https://www.acf.org.au/budget_2018_19_investment_in_a_healthy_environment_cut_to_bare_bones_while_fossil_fuel_subsidies_continue [Accessed 25 May 2018].

AECOM. 2010. *Gloucester Gas Project: Submissions Report*. 24 May, viewed 28 March 2015, https://www.agl.com.au/-/media/AGL/About-AGL/Documents/How-We-Source-Energy/Gloucester-Documents-Repository/Stage-1-Approvals-and-Related-Documents/20100524_Submissions-Report---Part-1.pdf.

AEMO. 2017. *2017 Gas Statement of Opportunities for Eastern and South-Eastern Australia* [Online]. Australian Energy Market Operator (AEMO). Available: https://www.aemo.com.au/-/media/Files/Gas/National_Planning_and_Forecasting/GSOO/2017/2017-Gas-Statement-of-Opportunities.pdf [Accessed 21 June 2017].

AGL. 2017. *Our History: Our Timeline* [Online]. AGL Energy Available: <https://www.agl.com.au/about-agl/who-we-are/our-company>.

AGL ENERGY. 2011. *ASX and Media Releases, AGL Gloucester Project Approval Process has been open, transparent and extensive*. AGL Energy. 3 June, viewed 12 March

2015, <https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2011/jun/agl-gloucester-project-approval-process-has-been-open-transparent-and-extensive>.

AGL ENERGY. 2013. *ASX and Media Releases, AGL submits Review of Environmental Factors to NSW Office of Coal Seam Gas*. AGL Energy. 1 October, viewed 13 October 2015, <https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2013/oct/agl-submits-review-of-environmental-factors-to-nsw-office-of-coal-seam-gas>.

AGL ENERGY. 2014a. *ASX and Media Releases: AGL Board appoints Andrew Vesey as new CEO*. AGL Energy. 18 November, viewed 13 March 2015, <https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2014/november/agl-board-appoints-andrew-vesey-as-new-ceo>.

AGL ENERGY. 2014b. *ASX and Media Releases: NSW faces gas supply shortages from winter 2016, economic paper confirms (Gloucester)*. AGL Energy. 17 March, viewed 18 May 2018, <https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2014/march/nsw-faces-gas-supply-shortages-from-winter-2016-economic-paper-confirms-gloucester>.

AGL ENERGY. 2015a. *AGL Greenhouse Gas Policy*. AGL Energy. April, viewed 13 May 2018, <https://www.agl.com.au/-/media/agl/about-agl/documents/media-center/corporate-governance-policies-charter/20170530-agl-greenhouse-gas-policy.pdf?la=en&hash=14CAD3441244B2A4655DD66A05EFC9CD316251D7>.

AGL ENERGY. 2015b. *ASX and Media Release, AGL 2015 Shareholder Update*. AGL Energy. 24 September, viewed 13 May 2018, <https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2015/september/agl-2015-shareholder-update>.

AGL ENERGY. 2015c. *Fact Sheet: BTEX*. AGL Energy. March 2015, viewed 16 August 2017, https://www.agl.com.au/-/media/AGL/About-AGL/Documents/How-We-Source-Energy/Gloucester-Documents-Repository/Fact-Sheets/20150302_Fact-Sheet-GGP---BTEX_V3.pdf?la=en.

AGL ENERGY. 2015d. *Strategic Roadmap Released* [Online]. AGL Energy. Available: <https://thehub.agl.com.au/articles/2015/05/strategic-roadmap-released>.

AGL ENERGY. 2015e. *Waukivory Pilot Project* [Online]. AGL Energy. Available: <https://www.agl.com.au/-/media/aglmedia/documents/about-agl/how-we-source-energy/gloucester/gloucester/maps/pel285ref-waukivory-pilot-project>

[emm20130927.pdf?la=en&hash=E908E13AB65BDE15209F9D1AD151C81C5C665521](https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2016/june/agl-gloucester-legacy-fund-community-panel-members-announced) [Accessed 2 March 2018].

AGL ENERGY. 2016a. ASX and Media Releases: AGL's Gloucester legacy fund community panel members announced. AGL Energy, . 6 June, viewed 3 March 2016, <https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2016/june/agl-gloucester-legacy-fund-community-panel-members-announced>.

AGL ENERGY. 2016b. *Camden Gas Project* [Online]. AGL Energy. Available: <https://www.agl.com.au/about-agl/how-we-source-energy/natural-gas/natural-gas-projects/camden-gas-project> [Accessed 16 July 2017].

AGL ENERGY. 2016c. *Draft Minutes of the Community Consultative Committee, Gloucester Gas Project*. Gloucester Country Club. 17 March, viewed 13 October 2016, <https://www.agl.com.au/-/media/aglmedia/documents/about-agl/how-we-source-energy/gloucester/gloucester-document-repository/ccc-meetings/agl-ccc-draft-minutes-17-march-2016.pdf?la=en&hash=763DE5C4298DF3867143ADD9A668732E376A2D25>.

AGL ENERGY. 2016d. *Gloucester Independent Community Legacy Fund* [Online]. AGL Energy. Available: <https://www.agl.com.au/about-agl/how-we-source-energy/natural-gas/natural-gas-projects/gloucester-gas-project/independent-community-legacy-fund> [Accessed 21 August 2017].

AGL ENERGY. 2016e. *Powering Australian Renewables Fund* [Online]. AGL Energy. Available: <https://www.agl.com.au/about-agl/what-we-stand-for/sustainability/powering-australian-renewables-fund> [Accessed 7 March 2017].

AGL ENERGY. 2016f. *Review of gas assets and exit of gas exploration and production*. AGL Energy. 4 February, viewed 5 February 2016, <https://www.agl.com.au/about-agl/media-centre/asx-and-media-releases/2016/february/review-of-gas-assets-and-exit-of-gas-exploration-and-production>.

AGL ENERGY. 2018. *Investors, Historical price lookup* [Online]. AGL Energy. Available: <https://www.agl.com.au/about-agl/investors> [Accessed 5 March 2018].

AHMED, U. & MEEHAN, D. N. 2016. *Unconventional Oil and Gas Resources: Exploitation and Development*, CRC Press.

ALAM, F., ALAM, Q., REZA, S., KHURSHID-UL-ALAM, S., SALEQUE, K. & AHSAN, S. Liquefied natural gas (LNG) market and Australia. AIP Conference Proceedings, 2017. AIP Publishing.

- ALGOZZINE, B. & HANCOCK, D. 2016. *Doing Case Study Research: A Practical Guide for Beginning Researchers, Third Edition*, Teachers College Press, Teachers College, Columbia University.
- ANGELO, M. J. & DU PLESSIS, A. 2017. *Research Handbook on Climate Change and Agricultural Law*, Edward Elgar Publishing Limited.
- ARKSEY, H. & KNIGHT, P. T. 1999. *Interviewing for Social Scientists: An Introductory Resource with Examples*, SAGE Publications.
- ASX. 2018. *S&P/ASX 200 Utilities (AUD)*, [Online]. Australian Stock Exchange (ASX). Available: <https://au.spindices.com/indices/equity/sp-asx-200-utilities-sector> [Accessed 7 September 2018].
- ATKINSON, P. & DELAMONT, S. 2010. *SAGE Qualitative Research Methods*, SAGE Publications.
- AUSTRALIA PACIFIC LNG. 2017. *Liquefied natural gas* [Online]. Australia Pacific Liquefied Natural Gas (LNG). Available: <https://www.aplng.com.au/topics/liquefied-natural-gas.html> [Accessed 24 July 2017].
- AUSTRALIAN LABOR PARTY. 2017. *OUR STORIES: CLIMATE CHANGE DEBATE: BILL SHORTEN* [Online]. Australian Labor Party Available: https://www.alp.org.au/climate_change_debate_bill_shorten [Accessed 9 May, 2018].
- BAGGOTT, R. 1995. *Pressure Groups Today*, Manchester University Press.
- BANERJEE, S. B. 2009. *Corporate Social Responsibility: The Good, the Bad and the Ugly*, Edward Elgar.
- BEC, A., MOYLE, B. D. & MCLENNAN, C.-L. J. 2016. Drilling into community perceptions of coal seam gas in Roma, Australia, *The Extractive Industries and Society*, vol. 3, pp. 716-726.
- BEETHAM, D. 2013. *The Legitimation of Power*, Palgrave Macmillan.
- BELL, S. 2012. The Power of Ideas: The Ideational Shaping of the Structural Power of Business, *International Studies Quarterly*, vol. 56, pp. 661-673.
- BELL, S. & HINDMOOR, A. 2014. The Structural Power of Business and the Power of Ideas: The Strange Case of the Australian Mining Tax, *New Political Economy*, vol. 19, pp. 470-486.
- BHADURI, S. N. & SELARKA, E. 2016. *Corporate Governance and Corporate Social Responsibility of Indian Companies*, Springer Singapore.
- BLOKLAND, H. 2016. *Pluralism, Democracy and Political Knowledge: Robert A. Dahl and His Critics on Modern Politics*, Taylor & Francis.

- BOEIJE, H. R. 2009. *Analysis in Qualitative Research*, SAGE Publications.
- BONNAFOUS-BOUCHER, M. & RENDTORFF, J. D. 2016. *Stakeholder Theory: A Model for Strategic Management*, Springer International Publishing.
- BOSWORTH, I. 2014. Regulatory reforms recommended for coal seam gas activities in NSW, *Australian Resources and Energy Law Journal*, vol. 33, pp. 305.
- BOULUS, P. & DOWDING, K. 2014. The press and issue framing in the Australian mining tax debate, *Australian Journal of Political Science*, vol. 49, pp. 694-710.
- BOWEN, H. R. 1953. *Social Responsibilities of the Businessman*, Harper.
- BRISMAN, A., SOUTH, N. & WHITE, R. 2015. *Environmental Crime and Social Conflict: Contemporary and Emerging Issues*, Ashgate Publishing Limited.
- BROWN, A. K. & PEERS, L. L. 2006. *Pictures Bring Us Messages*, University of Toronto Press.
- CARROLL, A. B. & SHABANA, K. M. 2010. The business case for corporate social responsibility: A review of concepts, research and practice, *International journal of management reviews*, vol. 12, pp. 85-105.
- CASSIDY, N. & KOSEV, M. 2015. Australia and the global LNG market, *Reserve Bank of Australia Bulletin*, vol. pp. 33-44.
- CAVES, R. W. 2005. *Encyclopedia of the City*, Routledge.
- CENTER, G. E. C. R. 2009. *Global Economic Crisis: Impact on Business Ethics and Society*, Cengage Learning.
- CENTNER, T. J. & O'CONNELL, L. K. 2014. Unfinished business in the regulation of shale gas production in the United States, *Science of the Total Environment*, vol. 476, pp. 359-367.
- CHADWICK, A. 2017. *The Hybrid Media System: Politics and Power*, Oxford University Press.
- CHIEF SCIENTIST AND ENGINEER. 2014. *Coal Seam Gas Review* [Online]. Chief Scientist and Engineer NSW. Available: <http://www.chiefscientist.nsw.gov.au/reports/coal-seam-gas-review> [Accessed 6 May 2017].
- CLEARY, P. 2011. *Too Much Luck: The Mining Boom and Australia's Future*, Black Incorporated.
- COMMUNITY CONSULTATIVE COMMITTEE. 2015. *Item 21/17714, Gloucester CCC Meeting Minutes*. AGL Energy, Gloucester Country Club. viewed 13 March 2017, <https://www.agl.com.au/-/media/AGL/About-AGL/Documents/How-We->

[Source-Energy/Gloucester-Documents-Repository/CCC-Meetings/20150416_GCCC-Minutes---FINAL.pdf](https://www.gccc.com.au/Source-Energy/Gloucester-Documents-Repository/CCC-Meetings/20150416_GCCC-Minutes---FINAL.pdf).

- CONNOR, L. H. 2016. *Climate Change and Anthropos: Planet, people and places*, Taylor & Francis.
- CORDEN, W. M. 2012. Dutch disease in Australia: policy options for a three-speed economy, *Australian Economic Review*, vol. 45, pp. 290-304.
- CREDIT SUISSE. 2014. AGL Energy, Delays at Gloucester. viewed 12 June 2018, https://research-doc.credit-suisse.com/docView?language=ENG&format=PDF&source_id=csplusesearchcp&document_id=1029991391&serialid=%2BphVAsgRIUtchtw9JJY%2FPeN9WFxSL1%2B0tAAD5MIIXbw%3D.
- CRESWELL, J. W. 2009. *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches*, SAGE Publications.
- CRESWELL, J. W. 2013. *Qualitative Inquiry and Research Design: Choosing Among Five Approaches*, SAGE Publications.
- CRONSHAW, I. & GRAFTON, R. Q. 2016a. A tale of two states: Development and regulation of coal bed methane extraction in Queensland and New South Wales, Australia, *Resources Policy*, vol. 50, pp. 253-263.
- CRONSHAW, I. G. & GRAFTON, R. Q. 2016b. Risks and Opportunities of Unconventional Natural Gas: Australia and the United States. In: GRAFTON, R. Q., CRONSHAW, I. G. & MOORE, M. C. *Risks, Rewards and Regulation of Unconventional Gas: A Global Perspective*. Cambridge University Press.
- CRONSHAW, I. G. & GRAFTON, R. Q. 2016c. Unconventional Gas Regulation in Australia and the US: Case Studies of Four Jurisdictions In: GRAFTON, R. Q., CRONSHAW, I. G. & MOORE, M. C. *Risks, Rewards and Regulation of Unconventional Gas: A Global Perspective*. Cambridge University Press.
- CROWE, S., CRESSWELL, K., ROBERTSON, A., HUBY, G., AVERY, A. & SHEIKH, A. 2011. The case study approach, *BMC medical research methodology*, vol. 11, pp. 100-100.
- CSIRO. 2015. *What is unconventional gas?* [Online]. Commonwealth Science and Industrial Research Organisation (CSIRO). Available: <https://www.csiro.au/en/Research/Energy/Hydraulic-fracturing/What-is-unconventional-gas> [Accessed 3 July 2017].

- CULPEPPER, P. D. 2010. *Quiet Politics and Business Power: Corporate Control in Europe and Japan*, Cambridge University Press.
- CULPEPPER, P. D. 2015. Structural power and political science in the post-crisis era, *Business and Politics*, vol. 17, pp. 391-409.
- CULPEPPER, P. D. & REINKE, R. 2014. Structural power and bank bailouts in the United Kingdom and the United States, *Politics & Society*, vol. pp. 0032329214547342.
- CURRAN, D. 2016. *Risk, Power, and Inequality in the 21st Century*, Palgrave Macmillan UK.
- CURRAN, G. 2017. Social licence, corporate social responsibility and coal seam gas: framing the new political dynamics of contestation, *Energy Policy*, vol. 101, pp. 427-435.
- DAHL, R. A. 1961. *Who Governs?: Democracy and Power in an American City*, Yale University Press.
- DAHL, R. A. 1986. *A Preface to Economic Democracy*, University of California Press.
- DAVIES, A. 2016b. Urban to Rural Elderly Migration: Renewing and Reinventing Australia's Small Rural Towns. In: CONNELL, J. & DUFTY-JONES, R. *Rural Change in Australia: Population, Economy, Environment*. Taylor & Francis.
- DAVIES, P. J., GORE, D. B. & KHAN, S. J. 2015. Managing produced water from coal seam gas projects: implications for an emerging industry in Australia, *Environmental Science and Pollution Research*, vol. 22, pp. 10981-11000.
- DAVIS, C. 2017. Mitigating Risks From Fracking-Related Earthquakes: Assessing State Regulatory Decisions, *Society & natural resources*, vol. pp. 1-17.
- DAVIS, D. E. & GO, J. 2009. *Political Power and Social Theory*, Emerald.
- DAY, S., MARVIG, P., WHITE, S. & HALLIBURTON, B. 2017. Methane emissions from CSG well completion activities. *Report for the Department of Environment and Energy*. CSIRO, Australia.
- DAYAL, A. M. & MANI, D. 2017. *Shale Gas: Exploration and Environmental and Economic Impacts*, Elsevier Science.
- DE RIJKE, K. 2013a. Coal seam gas and social impact assessment: an anthropological contribution to current debates and practices, *Journal of Economic & Social Policy*, vol. 15, pp. 29.
- DE RIJKE, K. 2013b. Hydraulically fractured: Unconventional gas and anthropology (Respond to this article at <http://www.therai.org.uk/at/debate>), *Anthropology Today*, vol. 29, pp. 13-17.

- DE TOCQUEVILLE, A., STONE, J. & MENNELL, S. 1982. *Alexis de Tocqueville on Democracy, Revolution, and Society*, University of Chicago Press.
- DEE. 2015. *Fact Sheet: Australia's 2013 climate change target* [Online]. Canberra: Australian Government Available: <http://www.environment.gov.au/climate-change/publications/factsheet-australias-2030-climate-change-target> [Accessed 15 May 2016].
- DEE. 2016. Implementation of the Water Trigger under the Environment Protection and Biodiversity Conservation Amendment Act 2013: Post Implementation Review. 15 December, viewed 17 March 2018, https://ris.pmc.gov.au/sites/default/files/posts/2017/09/implementation_of_the_water_trigger_post_implementation_review.pdf.
- DELANTY, G. 2005. *Social Science*, Open University Press.
- DELLAPENNA, J. W. 2014. The law of transboundary groundwater. In: WESTRA, L. & VILELA, M. *The Earth Charter, Ecological Integrity and Social Movements*. Taylor & Francis.
- DI. 2012a. Code of Practice for Coal Seam Gas, Fracture Stimulation Activities Department Industry (DI) NSW. viewed 19 June 2017, <http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/coal-seam-gas/codes-and-policies/code-of-practice-for-coal-seam-gas-fracture-stimulation>.
- DI. 2012b. Code of Practice for Coal Seam Gas: Well Integrity. Department of Industry (DI) NSW. viewed 19 June 2017, https://www.resourcesandenergy.nsw.gov.au/_data/assets/pdf_file/0006/516174/Code-of-Practice-for-Coal-Seam-Gas-Well-Integrity.PDF.
- DPE. 2012a. *Aquifer interference policy* [Online]. Department of Planning and Environment (DPE) NSW. Available: <http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/coal-seam-gas/codes-and-policies/aquifer-interference-policy> [Accessed 3 September 2014].
- DPE. 2012b. *Code of practice for coal seam gas fracture stimulation* [Online]. Department of Planning and Environment (DPE). Available: <http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/coal-seam-gas/codes-and-policies/code-of-practice-for-coal-seam-gas-fracture-stimulation> [Accessed 13 July 2015].
- DPE. 2012c. *Code of practice for CSG well integrity* [Online]. Department of Planning and Environment (DPE) NSW. Available:

- <http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/coal-seam-gas/codes-and-policies/code-of-practice-for-coal-seam-gas-well-integrity> [Accessed 3 September 2014].
- DPE. 2014a. *NSW Gas Plan* [Online]. Department of Planning and Environment (DPE) NSW. Available: <http://www.resourcesandenergy.nsw.gov.au/energy-supply-industry/legislation-and-policy/nsw-gas-plan> [Accessed 7 July 2015].
- DPE. 2014b. *NSW GAS PLAN: Protecting what's valuable, Securing our future*. Department of Planning and Environment (DPE) NSW. viewed 23 March 2016, http://www.resourcesandenergy.nsw.gov.au/_data/assets/pdf_file/0005/534830/NSW-Gas-Plan.pdf.
- DPE. 2014c. *Part 4 – State Significant Development and ending Part 3A* [Online]. Department of Planning and Environment (DPE) NSW. Available: <http://www.planning.nsw.gov.au/Policy-and-Legislation/Environmental-Planning-and-Assessment-Act-updated/Guide-to-the-updated-Environmental-Planning-and-Assessment-Act-1979/Part-4-State-significant-development-and-ending-Part-3A> [Accessed 27 March 2018].
- DPE. 2014d. *Strategic Regional Land Use Policy, Frequently Asked Questions*. NSW Department of Planning and Environment (DPE). viewed 19 June, 2017, <http://www.planning.nsw.gov.au/~media/Files/DPE/Factsheets-and-faqs/faqs-amended-planning-rules-for-coal-mining-and-coal-seam-gas-activity-2014-07.ashx>.
- DPE. 2016. *Community Consultative Committee Guidelines: State Significant Projects*. November 2016, viewed 12 March 2018, <http://www.planning.nsw.gov.au/~media/Files/DPE/Guidelines/community-consultative-committee-guidelines-state-significant-projects-2016-10.ashx>.
- DPE. 2017a. *Gateway Assessment and Site Verification* [Online]. Available: <http://www.planning.nsw.gov.au/Policy-and-Legislation/Mining-and-Resources/Gateway-Assessment-and-Site-Verification>.
- DPE. 2017b. *State Significant Development* [Online]. Department of Planning and Environment (DPE) NSW. Available: <http://www.planning.nsw.gov.au/Assess-and-Regulate/Development-Assessment/Systems/State-Significant-Development> [Accessed 18 July 2017].
- DPE. 2018. *Community Consultative Committees* [Online]. Department of Planning and Environment (DPE) NSW. Available:

- <http://www.planning.nsw.gov.au/communityconsultativecommittees> [Accessed 13 June 2018].
- DPE. n.d. *PEL buy-back* [Online]. Available:
<http://www.resourcesandenergy.nsw.gov.au/landholders-and-community/coal-seam-gas/information-on-petroleum-titles/buy-back> [Accessed 15 July 2017].
- DRUTMAN, L. 2015. *The Business of America is Lobbying: How Corporations Became Politicized and Politics Became More Corporate*, Oxford University Press.
- DRYZEK, J. & DUNLEAVY, P. 2009. *Theories of the Democratic State*, Palgrave Macmillan.
- DUUS, S., TITUS, A., SI, W. & JENSON, M. 2015. Realising Democracy Amid Communicative Plenty: A Deliberative Systems Approach – Research Project Report No.1., Institute for Governance and Policy Analysis, University of Canberra., viewed 5 March 2018.
- DYER JR, W. G. & WILKINS, A. L. 1991. Better stories, not better constructs, to generate better theory: A rejoinder to Eisenhardt, *Academy of management review*, vol. 16, pp. 613-619.
- EKINS, P. & VOITURIEZ, T. 2012. *Trade, Globalization and Sustainability Impact Assessment: A Critical Look at Methods and Outcomes*, Earthscan.
- ENERGY, A. 2015a. *AGL Gloucester Gas Project Fact Sheet*. AGL Energy. 5 August, viewed 20 March 2016, https://www.agl.com.au/-/media/aglmedia/documents/about-agl/how-we-source-energy/gloucester/gloucester-document-repository/fact-sheets/20130101_fact-sheet-ggp---gloucester-gas-project.pdf?la=en&hash=C2D84F43A9D0FBA55B0D8E7C0E71E8B228F7557F.
- ENERGY, A. 2015b. *Waukivory Pilot Project* [Online]. AGL Energy. Available: <https://www.agl.com.au/-/media/aglmedia/documents/about-agl/how-we-source-energy/gloucester/gloucester/maps/regional-contextref-waukivory-pilot-project-emm20131127.pdf?la=en&hash=7C4956DEF94C455393299E287BFE39E31A2BA11D> [Accessed 2 March 2018].
- EPA. 2013. Environment Protection Authority Compliance Policy: Healthy Environment Healthy Community Healthy Business. Environment Protection Authority (EPA) NSW. viewed 2 July 2015, <http://www.epa.nsw.gov.au/resources/legislation/130251epacompol.pdf>.

- EPA. 2015. Conventional and unconventional gas: fact sheet. Environmental Protection Authority (EPA) NSW. viewed 4 July 2017, <http://www.epa.nsw.gov.au/resources/epa/2564-petroleum-sources-fact-sheet.pdf>.
- EPA. 2017a. *Frequently asked Questions: Gas Regulation in NSW* [Online]. Environmental Protection Authority (EPA) NSW. Available: <http://www.epa.nsw.gov.au/licensing/csgfaqs.htm> [Accessed 19 July 2017].
- EPA. 2017b. *Planning and Approval* [Online]. Environmental Protection Authority (EPA) NSW. Available: <http://www.epa.nsw.gov.au/licensing/plan-and-approval.htm> [Accessed 19 July 2018].
- ESMAEILI, H. & GRIGG, B. 2016. *The Boundaries of Australian Property Law*, Cambridge University Press.
- EUREKA STREET. 2018. *Budget curses climate in name of growth* [Online]. Eureka Street. Available: <https://eurekastreet.com.au/article.aspx?aeid=55349> [Accessed 25 May 2018].
- EVANS, G. & PHELAN, L. 2016. Transition to a post-carbon society: Linking environmental justice and just transition discourses, *Energy Policy*, vol. 99, pp. 329-339.
- FAIRFIELD, T. 2015. *Private Wealth and Public Revenue in Latin America: Business Power and Tax Politics*, Cambridge University Press.
- FARRAND, B. 2014. *Networks of Power in Digital Copyright Law and Policy: Political Salience, Expertise and the Legislative Process*, Taylor & Francis.
- FAWCETT, P., JENSEN, M. J., RANSAN-COOPER, H. & DUUS, S. 2018. Explaining the “ebb and flow” of the problem stream: frame conflicts over the future of coal seam gas (“fracking”) in Australia, *Journal of Public Policy*, vol. pp. 1-21.
- FINEWOOD, M. H. & STROUP, L. J. 2012. Fracking and the Neoliberalization of the Hydro-Social Cycle in Pennsylvania's Marcellus Shale, *Journal of Contemporary Water Research & Education*, vol. 147, pp. 72-79.
- FITZPATRICK, D. 2016. *The Politics of Regulation in the UK: Between Tradition, Contingency and Crisis*, Palgrave Macmillan UK.
- FLEMING, D. A. & MEASHAM, T. G. 2015. Local economic impacts of an unconventional energy boom: the coal seam gas industry in Australia, *Australian Journal of Agricultural & Resource Economics*, vol. 59, pp. 78-94.
- GALLOWAY, K. 2012. Landowners' vs miners' property interests: The unsustainability of property as dominion, *Alternative Law Journal*, vol. 37, pp. 77-81.

- GASFIELD FREE NORTHERN RIVERS. 2014. *About the Gasfield Free Campaign* [Online]. Gasfield Free Northern Rivers. Available: <http://csgfreenorthernrivers.org/about-the-csg-free-campaign/> [Accessed 22 July 2017].
- GASLAND. 2010. *Hydraulic Fracturing Facts* [Online]. Gasland. Available: <http://one.gaslandthemovie.com/whats-fracking> [Accessed 22 July 2017].
- GEOSCIENCE AUSTRALIA. 2018. *Energy resources and market* [Online]. Geoscience Australia. Available: <http://aera.ga.gov.au/#!/energy-resources-and-market> [Accessed 13 August 2018].
- GIBSON, C. & CONNELL, J. 2011. *Festival Places: Revitalising Rural Australia*, Channel View Publications.
- GIDDENS, A. & DALLMAYR, F. R. 1982. *Profiles and Critiques in Social Theory*, University of California Press.
- GIDEON, L. 2012. *Handbook of Survey Methodology for the Social Sciences*, Springer New York.
- GILLHAM, B. 2010. *Case Study Research Methods*, Bloomsbury Publishing.
- GIVEN, L. M. 2015. *100 Questions (and Answers) About Qualitative Research*, SAGE Publications.
- GLOUCESTER ADVOCATE 2011. AGL calls for higher standards for industry.
- GLOUCESTER BUSINESS CHAMBER. 2017. *Gloucester Business Chamber welcomes you to our website: Representing Business in the Gloucester Community*. [Online]. Gloucester Business Chamber. Available: <http://www.gloucesterchamber.com.au/> [Accessed 8 August 2017].
- GRAFTON, R. Q., CRONSHAW, I. G. & MOORE, M. C. 2016. The Rise of Unconventional Gas: The Story So Far In: CRONSHAW, I. G., GRAFTON, R. Q. & MOORE, M. C. *Risks, Rewards and Regulation of Unconventional Gas: A Global Perspective*. Cambridge University Press.
- GRAY, J. & MCCOY, D. 2016. The Common Good, Unconventional Gas Mining and Public Health. In: WESTRA, L. *The Common Good and Environmental Governance for the Support of Life*. Cambridge Scholars Publishing.
- GREEN, D. 2012. *From Poverty to Power, 2nd Edition: How active citizens and effective states can change the world*, Practical Action Publishing.
- GREENPEACE. 2018. *Fantasyland budget ignores climate change but finally acknowledges death of coal* [Online]. Greenpeace. Available:

- <https://www.greenpeace.org.au/news/fantasyland-budget-ignores-climate-change-finally-acknowledges-death-coal/> [Accessed 25 May 2018].
- GROUNDSWELL GLOUCESTER. 2012. *Preamble to the Constitution of Groundswell Gloucester Inc* [Online]. Groundswell Gloucester. Available: <http://www.groundswellgloucester.com/resources/downloads/Mission-Statement.pdf> [Accessed 15 July 2017].
- GROUNDSWELL GLOUCESTER. 2015. *Gloucester Coal Seam Gas Update* [Online]. Groundswell Gloucester Available: <http://www.groundswellgloucester.com/resources/downloads/CSG-Update-01Jun15.pdf> [Accessed 16 August 2017].
- GROUNDSWELL GLOUCESTER. 2016. *How Flawed Processes Failed the People of the Gloucester-Stroud Valley: Three Case Studies of Coal Seam Gas Exploration Governance in the Gloucester Basin* Australian Parliament House. March 2016, viewed 12 June 2018, <http://www.groundswellgloucester.com/resources/downloads/Flawed-Processes.pdf>.
- GROUNDSWELL GLOUCESTER. n.d. *OUR FUTURE* [Online]. Groundswell Gloucester. Available: <http://www.groundswellgloucester.com/about/our-future.html> [Accessed 3 July 2017].
- GRUBERT, E. & SKINNER, W. 2017. A town divided: Community values and attitudes towards coal seam gas development in Gloucester, Australia, *Energy Research & Social Science*, vol. 30, pp. 43-52.
- GRUDNOFF, M. 2014. Fracking the future, Busting industry myths about coal seam gas, *The Australia Institute*, vol. Institute Paper No. 16, pp. 1-79.
- HALL, P. A. & SOSKICE, D. 2001. *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, OUP Oxford.
- HALPIN, D. 2009. NGOs and democratisation: Assessing variation in the internal democratic practices of NGOs. *NGOs in Contemporary Britain*. Springer.
- HARPER, D. 2002. Talking about pictures: A case for photo elicitation, *Visual Studies*, vol. 17, pp. 13-26.
- HAUGAARD, M. 1997. *The Constitution of Power: A Theoretical Analysis of Power, Knowledge and Structure*, Manchester University Press.
- HAUGAARD, M. 2002. *Power: A Reader*, Manchester University Press.
- HAY, C. 2002. *Political Analysis: A Critical Introduction*, Palgrave Macmillan.

- HAYES, M. T. 2002. *The Limits of Policy Change: Incrementalism, Worldview, and the Rule of Law*, Georgetown University Press.
- HAYNES, K., MURRAY, A. & DILLARD, J. F. 2013. *Corporate Social Responsibility: A Research Handbook*, Routledge.
- HENNINK, M., HUTTER, I. & BAILEY, A. 2010. *Qualitative Research Methods*, SAGE Publications.
- HEPBURN, S. 2015. *Mining and Energy Law*, Cambridge University Press.
- HILL, M. J. 2005. *The Public Policy Process*, Pearson Longman.
- HODGSON, S. M. & IRVING, Z. 2007. *Policy Reconsidered: Meanings, Politics and Practices*, Policy Press.
- HOOK, G. D., LESTER, L., JI, M., EDNEY, K., POPE, C. G. & VAN DER DOES-ISHIKAWA, L. 2017. *Environmental Pollution and the Media: Political Discourses of Risk and Responsibility in Australia, China and Japan*, Taylor & Francis.
- HOSSAIN, M. & MCINTOSH, M. 2013. *The Asian Century, Sustainable Growth and Climate Change*, Edward Elgar Publishing, Incorporated.
- HOWARTH, R. W., SANTORO, R. & INGRAFFEA, A. 2011. Methane and the greenhouse-gas footprint of natural gas from shale formations, *Climatic Change*, vol. 106, pp. 679.
- HUMPHRIES, K. n.d. *Landholders Empowered Under New Strategic Regional Land Use Policy* [Online]. The Nationals for Regional NSW. Available: <https://www.kevinhumphries.com.au/media/media-releases/landholders-empowered-under-new-strategic-regional-land-use-policy> [Accessed 07 March 2017].
- HUNTER, F. 1953. *Community Power Structure: A Study of Decision Makers*, University of North Carolina Press.
- IEA. 2012. *WORLD ENERGY OUTLOOK 2012 FACTSHEET: How will global energy markets evolve to 2035?* [Online]. International Energy Agency (IEA). Available: <http://www.worldenergyoutlook.org/media/weowebiste/2012/factsheets.pdf> [Accessed 22 July 2017].
- INKPEN, A. C. & MOFFETT, M. H. 2011. *The Global Oil & Gas Industry: Management, Strategy & Finance*, PennWell.
- INVESTING.COM. 2018. *Natural Gas Futures Historical Data* [Online]. Investing.com. Available: <https://www.investing.com/commodities/natural-gas-historical-data> [Accessed 12 April 2018].

- IPART. 2015a. Fact Sheet on Final Report -landholder benchmark compensation. Independent Pricing and Regulatory Tribunal (IPART). November 2015, viewed 12 March 2018, https://www.ipart.nsw.gov.au/files/sharedassets/website/shared-files/pricing-reviews-gas-administrative-landholder-compensation-for-coal-seam-gas-development/fact_sheet_on_final_report_-_landholder_benchmark_compensation_rates_-_november_2015.pdf.
- IPART. 2015b. Landholder benchmark compensation rates: gas exploration and petroleum in NSW, Energy - Final Report,. Independent Pricing and Regulatory Tribunal (IPART). November 2015, viewed 11 June 2016, https://www.ipart.nsw.gov.au/files/sharedassets/website/trimholdingbay/final_report_-_landholder_benchmark_compensation_rates_-_november_2015.pdf.
- IPART. 2015c. Landholder benchmarkcompensation rules: Gas exploration and production in NSW, Energy - Issues Paper. Independent Pricing and Regulatory Tribunal (IPART). viewed 13 March 2016, https://www.ipart.nsw.gov.au/files/1baa7c07-500a-4323-9aa0-a48000a31c8a/Issues_Paper_-_Landholder_benchmark_compensation_rates_-_Gas_exploration_and_production_in_NSW_-_April.pdf.
- ISLAM, M. R. 2014. *Unconventional Gas Reservoirs: Evaluation, Appraisal, and Development*, Elsevier Science.
- JACKSON, R. E., GORODY, A. W., MAYER, B., ROY, J. W., RYAN, M. C. & VAN STEMPOORT, D. R. 2013. Groundwater Protection and Unconventional Gas Extraction: The Critical Need for Field-Based Hydrogeological Research, *Groundwater*, vol. 51, pp. 488-510.
- JACKSON, T. 2009. *Prosperity Without Growth: Economics for a Finite Planet*, Earthscan.
- JANOSKI, T. 1998. *Citizenship and Civil Society: A Framework of Rights and Obligations in Liberal, Traditional, and Social Democratic Regimes*, Cambridge University Press.
- JONATHAN, A. O., PAUL, Z. & CLIFFORD, L. 2012. Advocacy 2.0: An Analysis of How Advocacy Groups in the United States Perceive and Use Social Media as Tools for Facilitating Civic Engagement and Collective Action, *Journal of Information Policy*, vol. 2, pp. 1-25.
- JONES, M., JONES, R., WOODS, M., WHITEHEAD, M., DIXON, D. & HANNAH, M. 2014. *An Introduction to Political Geography: Space, Place and Politics*, Taylor & Francis.
- KLENKE, K. 2008. *Qualitative Research in the Study of Leadership*, Emerald Group Publishing Limited.

- KNAG. n.d.-a. *Knitting Nannas Against Gas (KNAG)* [Online]. Knitting Nannas Against Gas. Available: <http://www.knitting-nannas.com/> [Accessed 20 July 2017].
- KNAG. n.d.-b. *Nanna Loops*, [Online]. Knitting Nannas Against Gas. Available: <http://www.knitting-nannas.com/network.php> [Accessed 21 January 2017].
- KNAG. n.d.-c. *What do we do?* [Online]. Knitting Nannas Against Gas, . Available: <http://www.knitting-nannas.com/what.php> [Accessed 21 January 2018].
- KOMLOS, J. 2016. *Principles of Economics for a Post-Meltdown World*, Springer International Publishing.
- KRAMER, T. 2016. ECONOMIC ISSUES ARISING FROM THE MINING BOOM, *Ecodate*, vol. 30, pp. 3.
- LADISLAW, S. O., HYLAND, L. A. & PUMPHREY, D. L. 2013. *Realizing the Potential of U.S. Unconventional Natural Gas*, Center for Strategic & International Studies.
- LEE, B. & CASSELL, C. 2011. *Challenges and Controversies in Management Research*, Taylor & Francis.
- LEHR, J. H. & KEELEY, J. 2016. *Alternative Energy and Shale Gas Encyclopedia*, Wiley.
- LEWIS-BECK, M., BRYMAN, A. E. & LIAO, T. F. 2004. *The SAGE Encyclopedia of Social Science Research Methods*, SAGE Publications.
- LIJPHART, A. 1975. *The Politics of Accommodation: Pluralism and Democracy in the Netherlands*, University of California Press.
- LINDBLOM, C. E. 1977. *Politics and markets: the world's political economic systems*, Basic Books.
- LINS, K. V., SERVAES, H. & TAMAYO, A. 2017. Social capital, trust, and firm performance: The value of corporate social responsibility during the financial crisis, *The Journal of Finance*, vol. 72, pp. 1785-1824.
- LLOYD, D. J., LUKE, H. & BOYD, W. E. 2013. Community perspectives of natural resource extraction: coal-seam gas mining and social identity in Eastern Australia, *Coolabah*, vol. 10, pp. 144-164.
- LOCK THE GATE ALLIANCE. n.d. *About Us* [Online]. Lock the Gate Alliance. Available: http://www.lockthegate.org.au/about_us [Accessed 2016 29 May].
- LYNCH, M. J., BURNS, R. G. & STRETESKY, P. B. 2010. Global warming and state-corporate crime: The politicalization of global warming under the Bush administration, *Crime, Law and Social Change*, vol. 54, pp. 213-239.
- LYSTER, R. & BRADBROOK, A. 2006. *Energy Law and the Environment*, Cambridge University Press.

- MACKINNON, D. & CUMBERS, A. 2014. *Introduction to Economic Geography: Globalization, Uneven Development and Place*, Taylor & Francis.
- MADISON, J. 1787. Federalist no. 10, *November*, vol. 22, pp. 1787-88.
- MADISON, J., HAMILTON, J. J. A. & JAY, J. 1947. *The federalist*, Tudor Pub.
- MAISEL, L. S. & BERRY, J. M. 2010. *The Oxford handbook of American political parties and interest groups*, OUP Oxford.
- MANNING, P. 2012. *What the Frack? Everything you need to know about coal seam gas*, NewSouth.
- MARSH, D. & AKRAM, S. 2015. Political participation and citizen engagement: beyond the mainstream, *Policy Studies*, vol. 36, pp. 523-531.
- MARSH, D., AKRAM, S. & BIRKETT, H. 2015. The structural power of business: taking structure, agency and ideas seriously, *Business and Politics*, vol. 17, pp. 577-601.
- MARSH, D. & LEWIS, C. 2014. The Political Power of Big Business: A Response to Bell and Hindmoor, *New Political Economy*, vol. 19, pp. 628-633.
- MARSH, D., LEWIS, C. & CHESTERS, J. 2014. The Australian mining tax and the political power of business, *Australian Journal of Political Science*, vol. 49, pp. 711-725.
- MARSH, D. C. 1983. *Capital and Politics in Western Europe*, F. Cass.
- MARSHALL, C. & ROSSMAN, G. B. 2010. *Designing Qualitative Research*, SAGE Publications.
- MCKNIGHT, D. & HOBBS, M. 2013. Public Contest through the Popular Media: The Mining Industry's Advertising War against the Australian Labor Government, *Australian Journal of Political Science*, vol. 48, pp. 307-319.
- MEASHAM, T. G. & FLEMING, D. A. 2014. Impacts of unconventional gas development on rural community decline, *Journal of Rural Studies*, vol. 36, pp. 376-385.
- MERRIAM, S. B. 1988. *Case study research in education: a qualitative approach*, Jossey-Bass.
- MIDCOAST COUNCIL NSW. 2017. *MidCoast Council* [Online]. MidCoast Council NSW. Available: <http://www.elections.nsw.gov.au/councils/profiles/2017/mid-coast> [Accessed 22 August 2017].
- MILLAR, G. J., COUPERTHWAITE, S. J. & MOODLIAR, C. D. 2016. Strategies for the management and treatment of coal seam gas associated water, *Renewable and Sustainable Energy Reviews*, vol. 57, pp. 669-691.
- MILLS, A. J., DUREPOS, G. & WIEBE, E. 2010. *Encyclopedia of Case Study Research: L - Z; Index*, SAGE Publications.

- MILLS, C. W. & WOLFE, A. 2000. *The Power Elite*, Oxford University Press.
- MILNE, C. & BURKE, J. 2017. *GREENING FINANCE* [Online]. The Greens. Available: <https://greens.org.au/magazine/national/greening-finance>.
- MITCHELL, A. 2012. Lobbying for the dark side, *Meanjin*, vol. 71, pp. 39.
- MORGAN, M. I., HINE, D. W., BHULLAR, N., DUNSTAN, D. A. & BARTIK, W. 2016. Fracked: Coal seam gas extraction and farmers' mental health, *Journal of Environmental Psychology*, vol. 47, pp. 22-32.
- NADER, R. 1965. *Unsafe at Any Speed*, Pocket Books.
- NEW MATILDA 2015. Abbott Govt Outsources Environmental Powers While The Swift Parrot Flies to Extinction. *New Matilda*
- NSW FARMERS. 2014a. *Agreed Principles of Land Access* [Online]. NSW Farmers. Available: https://www.nswfarmers.org.au/_data/assets/pdf_file/0008/35567/Agreed-Principles-of-Land-Access-280314.pdf [Accessed 10 April 2016].
- NSW FARMERS. 2014b. *Mining and Coal Seam Gas Communication Project* [Online]. NSW Farmers. Available: <https://www.miningandcsginfo.org/nsw-government> [Accessed 22 June 2017].
- NSW GOVERNMENT. n.d. *Welcome to the Mining and Petroleum Gateway Panel website: Public Consultation* [Online]. Available: <http://www.mpgp.nsw.gov.au/> [Accessed 10 July 2017].
- O'KANE, M. 2014. *Independent Review of Coal Seam Gas (CSG) Activities in NSW - Final Report*. Chief Scientist and Engineer, NSW Government. viewed 13 March 2016, <http://www.chiefscientist.nsw.gov.au/reports>.
- O'LEARY, Z. 2007. *The Social Science Jargon Buster: The Key Terms You Need to Know*, SAGE Publications.
- OECD 2008. *OECD Economic Surveys: United States 2008*, United States, OECD Publishing.
- OECD 2012. *OECD Economic Surveys: Australia 2012*, United States, OECD Publishing.
- PAC. 2011. Concept and Project Application for Gloucester Gas Project, Final Report 345288. Planning and Assessment Commission (PAC). viewed 13 March 2015, <http://ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2010/12/gloucester-gas-project-application/documents/final-determination-report--gloucester-gas-concept-plan-and-project-applicationpdf.pdf>.

- PARLIAMENT OF NEW SOUTH WALES. 2011. *Coal seam gas* [Online]. Parliament of New South Wales. Available:
<https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=1731> [Accessed 2 March 2015].
- PARLIAMENT OF NEW SOUTH WALES. 2012. Coal seam gas, General Purpose Standing Committee No. 5. Legislative Council, Parliament of New South Wales. 1 May 2012, viewed 12 June 2015,
<https://www.parliament.nsw.gov.au/lcdocs/inquiries/1731/Report%2035%20-%20Coal%20seam%20gas.pdf>.
- PEARSON, L. J. & DARE, L. 2016. Visuals in policy making: 'see what I'm saying',. In: STOKER, G. & EVANS, M. *Evidence-based Policy Making in the Social Sciences: Methods that Matter*. Policy Press.
- PELLS, P. 2004. Political participation and citizen engagement: beyond the mainstream. Pells Consulting. 23 March, 2014, viewed
<http://www.pellsconsulting.com.au/downloads/P034.M5A.pdf>.
- PERRINI, F., POGUTZ, S. & TENCATI, A. 2006. *Developing Corporate Social Responsibility: A European Perspective*, Edward Elgar Publishing Limited.
- PHILLIPS, D. C. 2014. *Encyclopedia of Educational Theory and Philosophy*, SAGE Publications.
- RAHM, D. 2011. Regulating hydraulic fracturing in shale gas plays: The case of Texas, *Energy Policy*, vol. 39, pp. 2974-2981.
- RANDALL, A. 2014. Coal Seam Gas Recovery in Australia: Economic, Environmental and Policy Issues. In: HESTER, P. R. & HARRISON, P. R. *Fracking*. Royal Society of Chemistry.
- RECKER, J. 2011. *Evaluations of Process Modeling Grammars: Ontological, Qualitative and Quantitative Analyses Using the Example of BPMN*, Springer Berlin Heidelberg.
- REED, M. S. 2008. Stakeholder participation for environmental management: A literature review, *Biological Conservation*, vol. 141, pp. 2417-2431.
- RESEARCH, E. A. B. E. & EXCHANGES, C. C. I. E. 2016. *Partnership for Change: Australia–China Joint Economic Report*.
- RICKETTS, A. 2012. *Contaminated sites and accidents related specifically to CSG/LNG in Australia* [Online]. Aidenricketts.com. Available:
<http://aidanricketts.com/contaminated-sites-and-accidents-related-specifically-to-csglng-in-australia/> [Accessed 2 July 2015].

- RIDDER, H. G. 2016. *Case Study Research: Approaches, Methods, Contribution to Theory*, Rainer Hampp Verlag.
- ROSE, G. 2012. *Visual Methodologies: An Introduction to Researching with Visual Materials*, SAGE Publications.
- SAVIGNY, H. & MARSDEN, L. 2011. *Doing Political Science and International Relations: Theories in Action*, Palgrave Macmillan.
- SCHERNIKAU, L. 2017. *Economics of the International Coal Trade: Why Coal Continues to Power the World*, Springer International Publishing.
- SCOTT, S. G. 2013. COAL SEAM GAS IN QUEENSLAND - FROM THERE TO WHERE? In: MASTALERZ, M., GLIKSON-SIMPSON, M. & GOLDING, S. D. *Coalbed Methane: Scientific, Environmental and Economic Evaluation*. Springer Netherlands.
- SHAANAN, J. 2010. *Economic Freedom and the American Dream*, Palgrave Macmillan US.
- SHAH, S. & RAMAMOORTHY, V. E. 2013. *Soulful Corporations: A Values-Based Perspective on Corporate Social Responsibility*, Springer India.
- SHAH, Y. T. 2017. *Chemical Energy from Natural and Synthetic Gas*, CRC Press.
- SHERVAL, M. & GRAHAM, N. 2013. Missing the connection: how SRLU policy fragments landscapes and communities in NSW, *Alternative Law Journal*, vol. 38, pp. 176-180.
- SHERVAL, M. & HARDIMAN, K. 2014. Competing Perceptions of the Rural Idyll: responses to threats from coal seam gas development in Gloucester, NSW, Australia, *Australian Geographer*, vol. 45, pp. 185-203.
- SIMONS, H. 2009. *Case study research in practice*, Los Angeles ;, SAGE.
- SMITH, M. J. 1995. Pluralism
In: MARSH, D. S., S. *Theory and Methods in Political Science*. 3rd, Macmillan Press.
- SMITH, M. J. 2009. *Power and the State*, Palgrave Macmillan.
- SNASHALL, D. & GENTER, S. 2017. Can a social licence to operate be regained once lost? A case study of the New South Wales coal seam gas industry, *The APPEA Journal*, vol. 57, pp. 549-551.
- SOVACOOOL, B. K. 2014. Cornucopia or curse? Reviewing the costs and benefits of shale gas hydraulic fracturing (fracking), *Renewable and Sustainable Energy Reviews*, vol. 37, pp. 249-264.
- SPHROHGE, H., TAVALLALI, R., KREISER, L. A. & BUTCHER, B. 2012. Lower carbon energy: the case of hydraulic fracturing for natural gas. In: KREISER, L. A.,

- STERLING, A. Y., MOLINA, P. M. H., MILNE, J. E. & ASHIABOR, H. *Carbon Pricing, Growth and the Environment*. Edward Elgar.
- STAKE, R. E. 1995. *The Art of Case Study Research*, SAGE Publications.
- SUÁREZ, S. & KOLODNY, R. 2011. Paving the Road to “Too Big to Fail”: Business Interests and the Politics of Financial Deregulation in the United States, *Politics & Society*, vol. 39, pp. 74-102.
- TAN, P.-L., BOWMER, K. H. & BALDWIN, C. 2012. Continued challenges in the policy and legal framework for collaborative water planning, *Journal of Hydrology*, vol. 474, pp. 84-91.
- TAYLOR, M., SANDY, N. & RAPHAEL, B. 2013. Background Paper on Community Concerns in relation to Coal Seam Gas. June 2013, viewed 12 July, 2016, http://www.chiefscientist.nsw.gov.au/_data/assets/pdf_file/0010/31789/Community-Concerns-in-relation-to-Coal-Seam-Gas_Taylor,-Sandy-and-Raphael_UWS.pdf.
- THE GREENS. 2017. *PROTECTING FARMLAND AND WATER FROM CSG* [Online]. The Greens. Available: <https://greens.org.au/csg> [Accessed 21 June 2017].
- TOTAL ENVIRONMENT CENTRE INC. 2011. INQUIRY INTO COAL SEAM GAS, NSW: FOSSIL OR BALANCED FUTURE? Total Environment Centre Inc. Supplementary Submission No 353a, October 2011, viewed viewed 8 March 2015, <https://www.parliament.nsw.gov.au/committees/DBAssets/InquirySubmission/Body/41242/Submission%200353a.pdf>.
- TOWLER, B., FIROUZI, M., UNDERSCHULTZ, J., RIFKIN, W., GARNETT, A., SCHULTZ, H., ESTERLE, J., TYSON, S. & WITT, K. 2016. An overview of the coal seam gas developments in Queensland, *Journal of Natural Gas Science and Engineering*, vol. 31, pp. 249-271.
- TRACY, S. J. 2012. *Qualitative Research Methods: Collecting Evidence, Crafting Analysis, Communicating Impact*, Wiley.
- TRAINOR, A. & GRAUE, E. 2013. *Reviewing Qualitative Research in the Social Sciences*, Routledge.
- TRUMAN, D. B. 1951. *The Governmental Process: Political Interests and Public Opinion*, Alfred A. Knopf.
- TURTON, D. J. 2015. Unconventional gas in Australia: towards a legal geography, *Geographical Research*, vol. 53, pp. 53-67.
- TURTON, D. J. 2017. Legal determinations, geography and justice in Australia's coal seam gas debate *In: GRAHAM, S., LUKASIEWICZ, A., DOVERS, S., ROBIN, L.,*

- MCKAY, J. & SCHILIZZI, S. *Natural Resources and Environmental Justice: Australian Perspectives*. CSIRO PUBLISHING.
- VACCARO, I., SMITH, E. A. & ASWANI, S. 2010. *Environmental Social Sciences: Methods and Research Design*, Cambridge University Press.
- VOGEL, D. 1983. The Power of Business in America: A Re-Appraisal, *British Journal of Political Science*, vol. 13, pp. 19-43.
- VOGEL, D. 2003. *Fluctuating Fortunes: The Political Power of Business in America*, Beard Books.
- VOGEL, D. 2005a. *The Market for Virtue: The Potential and Limits of Corporate Social Responsibility*, Brookings Institution Press.
- VOGEL, D. J. 2005b. Is There a Market for Virtue? THE BUSINESS CASE FOR CORPORATE SOCIAL RESPONSIBILITY, *California Management Review*, vol. 47, pp. 19-45.
- VROMEN, A. 2016. *Digital Citizenship and Political Engagement: The Challenge from Online Campaigning and Advocacy Organisations*, Palgrave Macmillan UK.
- WALLACE, P. 2015. What role for gas in Australia?, *Waste Management and Environment*, vol. 26, pp. 28.
- WALSH, M. 2001. *Research Made Real: A Guide for Students*, Nelson Thornes.
- WATTS, J. 2018. *THE TOWN THAT SAID NO TO AGL, HOW GLOUCESTER WAS SAVED FROM COAL SEAM GAS*, Macksville, Bookbound.
- WEARING, S. L., SCHWEINSBERG, S., LAI, P.-H. & LYONS, K. 2014. A discussion of coal seam gas in Australia's Hunter Valley wine tourism region, *Australasian Parks and Leisure*, vol. 17, pp. 49.
- WENMAN, M. 2013. *Agonistic Democracy: Constituent Power in the Era of Globalisation*, Cambridge University Press.
- WESTRA, L. & VILELA, M. 2014. *The Earth Charter, Ecological Integrity and Social Movements*, Taylor & Francis.
- WETHERLY, P. & OTTER, D. 2014. *The Business Environment: Themes and Issues in a Globalizing World*, OUP Oxford.
- WIJESEKERE, G. & SYED, A. 2016. Energy Policy and Regional Cooperation: Australia's Contribution to Low Carbon Green Growth Initiatives In: ANBUMOZHI, V., KALIRAJAN, K., KIMURA, F. & YAO, X. *Investing on Low-Carbon Energy Systems: Implications for Regional Economic Cooperation*. Springer Singapore.

- WILLIAMS, J. 2015a. Soils Governance in Australia: challenges of cooperative federalism, *International Journal of Rural Law and Policy*, vol. pp.
- WILLIAMS, J., STUBBS, T. & MILLIGAN, A. 2012. *An analysis of coal seam gas production and natural resource management in Australia: Issues and ways forward*. Prepared for the Australian Council of Environmental Deans and Directors by John Williams Scientific Services Pty Ltd, Canberra. viewed 26 April 2016, <http://naturalresources.intersearch.com.au/naturalresourcesjspui/handle/1/8832>.
- YIN, R. K. 1994. *Case study research: design and methods*, Sage Publications.
- YIN, R. K. 2013. *Case Study Research: Design and Methods*, SAGE Publications.
- YOUNG, M. D. & SKRLA, L. 2003. *Reconsidering Feminist Research in Educational Leadership*, State University of New York Press.

APPENDICES

Timeline of key events

Date	Event/Legislation or Regulation	Detail
1976	CSG exploration began in Queensland	“...the granting of Authorities to Prospect (ATP) 226P, 231P and 233P to Houston Oil and Mineral of Australia Inc” (Scott, 2013, p. 1, Keogh, 2013 pp.1569).
1991	Petroleum Onshore Act NSW	Under this legislation CBM was treated as petroleum
1994	The beginning of CSG Exploration in NSW	According to NSW Coal Resources Committee Report, NSW began exploration of CSG in its early stages. The companies included Pacific Power and Amoco (see Duus, 2015, p. 34). This report is no longer available online.
1996	Australia first began extracting CSG in Queensland	The first commercial production of CSG began in 1996 via the Dawson Valley project (PL94) (Scott, 2013, p. 5).
1997	Protection of the Environment Operations Act 1997 NSW	The creation of the protection of the Environment Operations Act (1997).
2000	Water Management Act NSW	The creation of the protection of the Water Management Act.
2001	AGLs Camden Gas Project first commercial extraction	The first commercial production of CSG began with the Camden Gas project by Sydney Gas Limited (Snashall, 2017).
January 2005	Queensland Government introduces the Gas Electricity Target (GET)	This scheme aimed to shift from coal powered to gas powered electricity. It had a 15% target which it achieved (Jones, 2012, p. 168).
2007	Petroleum Onshore Regulation	The creation of the protection Petroleum Onshore Regulation (2007).
6 August 2008	AJ Lucas Group and Molopo Australia lodges a development application	AJ Lucas Group and Molopo Australia lodges a development application for Stage 1 of the GGP (Groundswell Gloucester, 2016, p. 1).
17 December 2008	AGL buys PEL 285 off AJ Lucas Group and Molopo Energy	“AGL acquired PEL 285 from AJ Lucas Group Limited and Molopo Australia Limited” (AGL, 2015).
November 1010	Lock the Gate Alliance forms	Following a series of community meetings, Lock the Gate was formed as farmers would lock their gates to the coal and gas industries. The network

		wishes to “defend our land, water, and future from the invasive coal and unconventional gas industries” (Lock the Gate Alliance, n.d.).
2 February 2011	Stage 1 of the GGP is Approved	NSW Planning Assessment Commission “approved both the GGP Concept Plan (which covers the entirety of the project) and the concurrent Stage 1 gas field development area application” (AGL, 2015).
October 2011	EDO lodged appeal to the Environment and Land Court on behalf of BGSPA(BGSPA)	The BGSPA filed an appeal against the approval of AGL GGP via the EDO due to “the absence of insufficient evidence as regards to the nature or extent of the environmental impacts” (Lamont, 2011; ABC, 2011). The alliance felt that the considerations of part 3a of the EPA Act has not been met as AGL had continue “to silence and to disempower the community” in ensuring that the GGP would go ahead (Groundswell Gloucester, 2016, p. 3).
November 2011	The Film Gasland	This film was described as “a controversial US documentary about the problems associated with the underground gas mining boom” which made “waves in Australia” (McCutchen, 2010). Whilst exuberating fear within communities, it has been argued that “it is wrong to relate issues and concerns raised in docudramas like Gasland to the CSG developments underway in Queensland” (Ripple, 2011).
2011	Water Management (General) Regulation	The creation of the Water Management (General) Regulation (2011).
August 2011	Greens Senator Larissa Waters introduces Landholders Rights to Refuse (Coal Seam Gas) Bill 2011	This bill rejected the way State Government and the industry were dealing with land rights issues and was an attempt to place pressure on the government to buy back land it has purchased for CSG (The Greens, 2017).
December 2011	Santos received a warning for water contamination in the Pilliga Forrest	This contamination involved “high levels of ammonia discharged in a spill of produced water in the Pilliga Forrest” (Miskelly, 2017)
February 2012	Environmental Protection Agency re-established by NSW Government	As stated in the EPAs compliance policy, the NSW Government “re-established the EPA as an independent, accountable and modern regulator to protect the environment and protect NSW” (EPA, 2013).
March 2012	BTEX chemicals banned for all CSG activities in NSW	BTEX chemicals were formally banned by NSW Department of Industry for all CSG activities (DI, 2012).
May 3 2012	AGL funds report on water conducted by Dr. Rick Evans.	This report was claimed to be conducted due to pressure from community groups. The report concluded that numerical modelling was necessary to

		determine the impact on groundwater however, this did not take place (Watts, 2018; Watts, 2018, p. 22).
August 2012	The appeal against the GGP is dismissed by the Land and Environment Court	The Land and Environment Court rejected the appeal and the GBSPR were asked to pay for the legal costs of AGL and the NSW Planning and Assessment Commission (ABC, 2012a)
September 2012	Strategic Land Use Policy was introduced in NSW for Upper Hunter Region and New England, North West	These policies were introduced by the NSW State Government due to public concern and scrutiny over land use conflicts and provided “additional steps relevant to the approval of coal and gas developments situated on agricultural land” (Kennedy, 2017, p. 400).
Early 2013	Appointment of NSW Land and Water Commissioner	“Providing strategic advice to the community on mineral and petroleum on Strategic Agricultural Land” (Cronshaw, 2016, p. 301)
February 2013	Establishment of Office of OCSG within the Department of Trade and Investment	Alongside the establishment of the OCSG “the NSW Government prohibits CBM activities within 2km of residential areas, vineyards and horse studs” (Cronshaw, 2016, p. 301).
July 2013	Initial NSW Chief of Scientist Report	This report has largely highlighted and confirmed community concerns on CSG, presenting the government with 5 key steps to address (O’Kane, 2013).
October 2013	The Implementation of new exclusion zones and the Gateway Process	Enforced via changes to the State Environment Planning Policy (Mining and Petroleum Production and Extraction Industries) 2007 (The Mining SEPP) (DPE, 2014).
November 2013	Moratorium for all CBM activities in Sydney Water Catchment Area	This agreement was introduced by the NSW Government and involved “amendments to petroleum Onshore Act” being “introduced, to provide landholders with greater rights in regards to land access, including establishing a Code of Practice for Land Access with Statutory force” (Cronshaw, 2016, p. 301). This was to remain in place until the Chief Scientists final report and is seen as necessary action to protect pristine drinking water that caters for much of Sydney and the Illawarra
December 2013	First gas was transferred to LNG facility at Curtis Island	Gas was transferred to Curtis Island in Gladstone, from the Surat Basin (Hough, 2013).
February 2013	Santos fined for water contamination found near a small aquifer	This aquifer contained large amounts of aluminium, borium, arsenic, lead nickel and uranium in a nearby holding pond. This contamination was said to be caused by a leaky dam liner which remained from the previous company Eastern Star Gas (Herbert, 2014, Miskelly, 2017).

February 2014	The Gloucester Dialogue is established	The Gloucester Dialogue was initiated by a former Gloucester Shire Council Councillor, Aled Hoggett, as a method for improving the way that communities engage with both the Government AGL (Hoggett, 2014).
28 March 2014	Principles of Land Access (PLA) signed	The PLA was signed between Santos and AGL and NSW farmers, Cotton Australia and NSW Irrigators Council. In this agreement, AGL and Santos claim they will not force arbitration for land access CSG drilling (NSW Farmers, 2014; Herbert, 2014).
26 March 2014	Temporary 6 months freeze on PEL Licenses in NSW	A temporary freeze was said to allow the government to “audit on existing CSG exploration licences and applications” (Lamacraft, 2014)
2 July 2014	The NSW Department of Planning changes the Department of Environment and Planning Assessment ACT 1979	Part 3a of the Department of Environment and Planning Assessment Act 1979 was abolished to “halve the assessment times for major projects”. All projects are to be revised under Part 4 of the Act. Projects are subject to “State Significant Development (SSD) or State Significant Infrastructure (SSI)” (DPE, 2014).
16 August 2014	Protest Blockage in Gloucester	A blockage in Gloucester Valley was organised to stop “preliminary earthworks” from taking place (Gloucester Business Chamber, 2017).
September 2014	PEL Freeze extended	PELs cancellations are extended as Chief Scientist Mary O’Kane was about to submit the final report on CSG (Lamacraft, 2014).
September 2014	NSW Chief Scientist Final Report	This report provided 16 recommendations to the NSW Government, as directed by then NSW Premier Barry O’Farrell (O’Kane, 2014).
November 2014	NSW Gas Plan released	This report was released in response to the Final Chief Scientists Report (O’Kane, 2014).
December 2014	AGL contractor dumps water illegally into sewers	AGLs contractor, Transpacific, illegally dumped wastewater into the Hunter Sewer system and was fined \$30 thousand.
11 December 2014	The beginning of the NSW Government’s buyback scheme	This buyback scheme was taken on board as part of action 4 of the NSW gas Plan, as a result of the recommendations from the Chief Scientist’s final report (DPE, n.d.)
January 2014	Additional exclusion zones were added as part of the SRLUP	Added exclusion zones for additional residential growth areas were added (DPE, 2017) which were enforced through amendments to the State Environmental Planning Policy (Mining Petroleum and Extractive Industries Amendment) 2014.

November 2014	The release of the NSW Gas Plan	This Gas Plan is based on the evidence presented on the final Chief Scientist report (DPE, 2014).
November 2014	AGL appoints Andrew Vesey as CEO	Andrew Vesey is appointed as Managing Director and CEO of AGL to take over from Michael Fraser in 12 January 2015. He was described as having "deep experience in working in complex regulatory and political environments" (AGL Energy, 2014).
January 2015	AGL detected BTEX chemicals in flowback water at their WWP in Gloucester	Wells 13 displayed BTEX chemicals. This was reported to the EPA and the DRE on the 27 th January 2015, leaving many residents suspicious as to why it was not reported sooner (Peter, 2015).
January 2015	Queensland begins exporting LNG	Queensland first began to export CSG as LNG to Asian nations (Towler, 2016)
February 2015	General manager of AGL's Upstream Gas Mike Moraza retires	Mike Moraza retired early after "the company launched a review of its gas exploration and production operations". It has been claimed that a number of events and bad publicity, particularly regarding the finding of BTEX chemicals, that led to Moraza's early retirement (SBS, 2015).
March 2015	AGL fined for leakage of methane at its Camden Gas Project	In August 2014, methane gas was released from well number 5 at Spring Farm. The EPA 'required AGL to amend its pollution Incident Response Management Plan' to ensure the newly community and government agencies were notified if an incident occurred again, the agency said (Hannam, 2015; Elmerhebe, 2016).
March 2015	An update of the Landholders Right to Refuse (Gas and Coal) Bill 2015	According to former Senator Larissa Waters "...would use the corporations power under the Constitution to give landholders, including farmers, local councils and native title holders, the legal right to say no to coal and gas exploration and mining" (The Greens, 2017).
March 2015	The peak of the 2015 NSW election campaign which resulted in a Liberal Party election win. CSG was a core concern for the public.	CSG was a "hot topic" during the NSW election campaign, as many residents felt that their concerns over CSG had not been taken seriously by the NSW Liberal and Labor Parties (Horne, 2015). Although the Liberal Party won the election under Mike Baird, there was a "big swing for the Greens" with the election of Jenny Leong in Newtown, and Jamie Parker for Balmain. This was said to be due to environmental concerns such as climate change and CSG (Foschia, 2015).

April 2015	Release of the Landholder benchmark and compensation rates: gas exploration and production in NSW	Independent Pricing and Regulatory Tribunal released this report, encouraging stakeholder feedback for their final report (IPART, 2015).
April 2015	AGL released their Greenhouse Gas Policy	AGL claims that they are committed to “engaging with all our stakeholders... to develop a shared understanding of the best ways for Australia to reduce its GHG emissions” (AGL, 2015).
May 2015	AGL releases their strategic roadmap	AGL created their strategic roadmap which they claim will place them in a position to allow for inevitable transformation, “drive productivity” and “unlock growth” to allow a greater return for their shareholders (AGL, 2015).
1 July 2015	EPA becomes the lead regulator of CSG in NSW	These responsibilities are fully outlined in the EPA website in the Memorandum of Understanding on the Regulation of Gas Activities in NSW (EPA, 2016).
July 2015	NSW Government announces cancellation of AGL PELs and offers buybacks	These PELs include PEL 2, 4 and 267 which cover 1.5 million hectares in the Hunter, Illawarra and Sydney West regions (ABC, 2015).
2 September 2015	Protest at AGL headquarters to mark 100 weeks of protest	This protest of one of 100 protests against AGL CSG operations in Gloucester and Camden and included “several hundred” people (Hannam, 2015).
September 2015	Draft Independent Pricing and Regulatory Tribunal NSW	IPART sought advice from this draft report and held workshops in both Gloucester and Narrabri as well as further consultation with local stakeholders and landowners (IPART, 2015).
October 2015	George Bender Suicide - Media Controversy	This suicide gained enormous media traction and was believed by opposing CSG to represent the hardship farmers were facing due to land access legislation. Farmers could not keep CSG companies off their land and many have developed mental health issues in fear of the environmental and health ramifications of CSG developments on and surrounding their property (Hannam, 2015; Willacy, 2015).
November 2015	Gloucester Shire Councils asks NSW Baird Government to buy back PEL 285	Councillors in Gloucester voted six to one at a general meeting against CSG in the town. This demonstrated that Gloucester did not have a social licence to operate in the area (Hannam, 2015).

November 2015	Final Report of the Landholder Benchmark and Compensation Rates: gas exploration and production in NSW	This report by the Independent Pricing and Regulatory Tribunal provides recommendations for benchmark compensation rates in support of landholders and provided improvements as per their initial report (IPART, 2015).
December 2015	NSW Government buys back PEL 13, 16 and 426 – Metgasco	Metgasco voted 3-1 under pressure from the NSW government to buy back their exploration licences. There was particularly strong backlash from the community against the project, as many residents claimed that Metgasco never held a social licence to operate (White, 2015; Davies, 2016).
February 2016	AGL announces the Cancellation of PEL 285 - the GGP and the early cancellation of the PEL 2 - Camden Gas Project by 2023	AGL decided to exit the GGP due to the price international commodity prices, long development lead times and lack of gas produced in WWP (AGL, 2016). This, they claimed, meant that the project was not economically viable. The Camden Gas Project was going to finish by 2023, 12 months earlier than anticipated, due to the same limitations (Elmerhebe, 2016; AGL, 2016).
February 2016	AGL fined for failing to declare political party donations	It was found that AGL had failed to adhere to laws surrounding political party donations 11 times and AGL pleaded guilty for this prosecution (Hannam, 2016).
16 March 2016	CSG Licences in Sydney Water Catchment Area Cancelled	PEL 442, PEL 444 and PEL 454 were cancelled covering South Sydney, Wollongong and “special areas of the Sydney catchment” (Roberts, 2015). These areas were considered “the most sensitive and important areas for securing our drinking supply” (Roberts, 2015).
12 January 2007	AGL was fined for not declaring political donations	AGL was fined \$124, 000 for not declaring political donations between 2008 and 2016 (Forcey, 2016)