

The Oligarchs' Charter

By Timothy Kuhner

With taxpayer suffrage abolished and universal suffrage achieved, one could think that political participation in our democratic societies is no longer conditioned on property ownership. However, Timothy Kuhner shows, politics remain subservient to capital.

Every society has rules for collective decision-making and the ownership of property; and for most of history, those rules have been intertwined. Aristocracy, slavery, feudalism, and indentured servitude have showed how people's status in the political regime can be affected—if not determined—by their status in the property regime. Regrettably, politics has followed property. If such oppression sounds like ancient history, think again. In the United States, England, and some Commonwealth nations, political participation was conditioned on property ownership (or the ability to pay a poll tax) well into the 20th century. And, despite the achievement of universal suffrage, the political, economic, and environmental traumas of the 21st century prove that governments remain subservient to capital. How has electoral democracy morphed into another inequality regime—one in which private property is again ascendant?¹

¹ See Thomas Piketty, *Capital and Ideology*, translated from the French by Arthur Goldhammer (Harvard University Press, 2020), pp. 2–4 (defining political, property, and inequality regimes).

Nobody would be more perplexed by this outcome than those who agitated for and against universal male suffrage in England, nearly 200 years ago. The inaccuracy of their claims about democracy helps answer some of the most vexing questions of our moment in history: Which promotes the public good—the equal or unequal distribution of political influence? What constitutional conditions are necessary to empower all citizens, regardless of socioeconomic status? And if democracy hasn’t succeeded in decoupling political power from socioeconomic status, does that mean democracy is a failure or that democracy is unfinished?

“It is because you are unrepresented that you have no property”

Back when white men without property could neither vote nor stand for election, James O’Brien fought to correct a misconception: “Knives will tell you, that it is because you have no property that you are unrepresented. I tell you, on the contrary, it is because you are unrepresented that you have no property.”²

Parting ways with movements such as the English Levellers and French Jacobins that agitated for economic changes outright, O’Brien—and the Chartist movement that he led—prioritized political representation for ordinary people. They wagered that real democracy could produce economic policies consistent with the common good, and that it could do so without violent revolution.

The 1838 People’s Charter demanded:

- Equal electoral districts.
- Universal male suffrage.
- Annual elections for Parliament.
- Abolition of the property requirement for MPs.
- Votes by secret ballot.

² O’Brien is quoted by Edward Royle in *Revolutionary Britannia? Reflections on the Threat of Revolution in Britain, 1789–1848* (Manchester University Press, 2000), p. 93.

- Payment of MPs.³

While these demands would surely require constitutional changes of a legal variety, Home Secretary Lord John Russell, an opponent of the Chartists, characterized them as “complaints against the constitution of society.” Russell was correct. There was a broader social order in force. Political participation and representation had long been confined not just to aristocracies of race and sex, but to an even narrower subset: the aristocracy of wealth.

How would these political aristocrats—that is, a parliament composed entirely of the upper classes—vote on the People’s Charter? By the time a petition reached the House of Commons, in July of 1839, the charter had attracted 1,280,959 signatures from members of the public. But the vote was a disastrous 235 to 46.

Russell’s speech in the Commons explained the danger that had been avoided that day. A society in which common men were represented and could acquire property would “[destroy] the property and the means of the rich ... [and] act still more fatally against the resources and welfare of the people.”

Inequality is Political

The charter’s demands were ignored. Indeed, the British Parliament refused to grant universal manhood suffrage for another 79 years. If the Chartists had only lived until that moment, in 1918, and then survived another century, they would have seen something remarkable. I don’t mean the achievement of most of their demands across Great Britain and the United States—though that did occur. Nor do I mean the spread of this democratic recipe to the majority of countries worldwide—though that, too, occurred. No, the truly remarkable part has come even more recently, as studies repeatedly prove that Lord Russell and his fellow defenders of aristocracy have had the last laugh anyhow.

According to Guy Shrubsole’s 2019 analysis, less than 1 percent of the English population still owns over half of the country’s land. What changes had 100 years of universal suffrage produced? Shrubsole’s data suggest that “corporations, oligarchs, and city bankers” now own as much land as the “aristocracy and the gentry.”⁴ Moving beyond England and land ownership, the World Inequality Lab’s 2018 report reveals that the global top 1 percent of

³ Edward Beasley, *The Chartist General: Charles James Napier, The Conquest of Sind, and Imperial Liberalism* (Taylor & Francis, 2016), p. 131.

⁴ Guy Shrubsole, *Who Owns England?: How We Lost Our Green and Pleasant Land, and How to Take It Back* (HarperCollins UK, 2019). For a review and the chart on land ownership, see Rob Evans, “Half of England is owned by less than 1% of the population,” *Guardian*, April 17, 2019.

wage earners captured twice as much economic growth as the bottom 50 percent between 1980 and 2016. The report notes massive transfers of public wealth to private hands, resulting in widespread state indebtedness and government incapacity. National variations in rising income inequality prove the causal role of political choices.⁵

Thomas Piketty's *Capital in the Twenty-First Century* reaches the same conclusion with regard to wealth inequality. Discussing the extreme concentration of capital that occurred between 1970 and 2010, he finds an intentional departure from postwar egalitarianism. Variations between countries give Piketty reason to conclude that "institutional and political differences played a key role."⁶ Next, in *Capital and Ideology*, Piketty discovers an even more categorical truth: "Inequality is neither economic nor technological; it is ideological and political."⁷

In sum, the return to unconscionable levels of inequality isn't some inevitable event. It's the result of worldviews and policy choices—most concretely, those of lawmakers who face no property requirements, are paid by the government, and are elected by universal suffrage at regular elections.

The Rebirth of Aristocracy

How could O'Brien and Russell both be so wrong about the power of the vote? Although they understood political economy, they both focused on the potential for the distribution of political power to affect the distribution of economic power. They neglected the opposite vector, which was firmly established before their time. Take Adam Smith's 1776 book, *The Wealth of Nations*, for example. "Our merchants and master-manufacturers complain much of the bad effects of high wages," Smith noted, but "they are silent with regard to the pernicious effects of their own gains." He described those who "employ the largest capitals" and "dealers in any particular branch of trade or manufacturers" as "an order of men whose interest is never exactly the same with that of the public, who have generally an interest to deceive and even to oppress the public, and who accordingly have, upon many occasions, both deceived and oppressed it." Considering that these classes use their wealth to "[draw] to themselves the greatest share of public attention," and that they desire restraints

⁵ Facundo Alvaredo, Lucas Chancel, Thomas Piketty, Emmanuel Saez, and Gabriel Zucman, "World Inequality Report 2018: Executive Summary," *World Inequality Lab*, pp. 5–7.

⁶ Thomas Piketty, *Capital in the Twenty-First Century*, translated from the French by Arthur Goldhammer (Harvard University Press, 2014), p. 297.

⁷ Piketty, *Capital and Ideology*, p. 7.

upon competition and an increase in profits at the public's expense, Smith recommended that proposed laws be "long and carefully examined, not only with the most scrupulous, but with the most suspicious attention."

Or take Thomas Jefferson's fear that concentrated capital would unduly influence the composition of government. "I wish," Jefferson wrote, "never to see all offices transferred to Washington, where further withdrawn from the eyes of the people, they may more secretly be bought and sold as at market." He also flagged the existence of an "aristocracy of our monied corporations which dare already to challenge our government to a trial of strength, and to bid defiance to the laws of their country."

Despite such warnings, Chartists and their opponents still seemed to believe that universal suffrage would "give supreme power in the state to a class." That's how Lord Thomas Macaulay, Russell's ally in Parliament, put it in 1842, when the People's Charter was reintroduced (and again voted down). Entrusted with supreme state power, Macaulay predicted that the lower socioeconomic class would destroy the institution of private property: "trade gone; manufacturers gone; credit gone." Ultimately, however, the realization of the Chartists' demands across the world coincided with capital concentration and a rebirth of aristocracy. Just as Smith and Jefferson suggested, economic elites would never relinquish supreme power so easily.

The People's Charter vs. the Oligarch's Charter

Between the fall of the Berlin Wall and the early 2000s, the proportion of countries holding free elections went from a paltry 33 percent to a robust 66 percent. But, as one academic survey noted, "Incredibly large monetary contributions ... permeated the world of politics in most continents."⁸ Even the US Agency for International Development objected, concluding in 2003 that "payback of campaign debts in the form of political favors breeds a type of corruption that is commonly encountered around the world."⁹ Of the 118 democracies it surveyed, 65 percent had low or virtually no political transparency. The point is, trade, manufacturers, and finance capital have not been destroyed by democracy; they have infiltrated democracy.

⁸ *Comparative Political Finance Among the Democracies*, edited by Herbert E. Alexander and Rei Shiratori (Westview Press, 1994), p. 4.

⁹ Office of Democracy and Governance, US Agency for International Development, *Money in Politics Handbook: A Guide to Increasing Transparency in Emerging Democracies* (2003), p.7.

Martin Gilens and Benjamin Page’s 2014 statistical analysis shows what happens when democracy becomes another path for wealth to walk: “Mass-based interest groups and average citizens have little or no independent influence,” while “economic elites and organized groups representing business interests have substantial independent impacts on US government policy.” They point to various causes for such extreme political inequality, including pro-wealth biases in campaign finance, lobbying, and the revolving door between public and private employment.

Several organizations have spoken to the generalizability of these findings. The Electoral Integrity Project (EIP) observes that “elections are necessary for liberal democracies—but they are far from sufficient [for] facilitating genuine accountability and public choice.”¹⁰ EIP’s 2019 and 2016 reports single out the campaign stage of elections as the weakest of all, with “campaign finance fail[ing] to meet international standards in two-thirds of all elections.”¹¹ Similarly, Transparency International’s 2019 report exposes an international crisis of “political integrity,” reminding governments worldwide that “public policies and resources should not be determined by economic power.”¹²

Citizens everywhere have been told that their rights are ensured. But, actually, the People’s Charter has been eviscerated by the Oligarchs’ Charter.

Inequality & Despotism

The provisions of the Oligarchs’ Charter vary from country to country, but they tend to look like this:

- Political parties and campaigns funded by private donations, often including corporate donations and loans from private creditors; or public subsidies that disadvantage minor parties and challengers.
- Political advertisements and interest groups funded by private donors, corporations, and interest groups.
- Ethics and conflict of interest rules for officeholders nonexistent, nonbinding, or unenforced.

¹⁰ Electoral Integrity Project, “Electoral Integrity Worldwide,” May 2019, p. 8.

¹¹ Electoral Integrity Project, “Year in Elections Report,” March 6, 2016, p. 5.

¹² Transparency International Corruptions Perceptions Index 2019, see p. 4 of the full report.

- Limits, transparency, and codes of conduct for lobbyists nonexistent, nonbinding, or unenforced.
- Political finance and anticorruption laws weak or underenforced.

Construction and saliency of political issues distorted by the privatization of the media, corporate conglomeration, the theft of personal data, and social media algorithms, plus disinformation mercenaries for hire: bots, troll farms, hackers, deep fake artists, and fake news entrepreneurs.

Most of these requirements were formulated as the procedural recipe for neoliberalism, which achieved de-unionization, deregulation, commodification, privatization, tax havens, corporate welfare, tax breaks for corporations and the wealthy, and austerity (cuts to education, health care, housing, poverty relief, and retirement security). Upon that debilitated landscape, the Oligarchs' Charter has kept operating to disastrous effect.

Freedom House's 2019 report, "Democracy in Retreat," documents the 13th consecutive year of global democratic decline.¹³ Rising inequality, corruption, and precarity have laid the foundation for a cultural backlash across the world, provoked by illiberal populists and authoritarians. To put today's violations of the rule of law and human rights into the words of the Chartist period: out of the confusion, a strong despotism may arise, and some rough hand may give protection to the miserable wreck of all that prosperity and glory. *But that was Macaulay's best-case scenario for what would follow the destruction of private property.*

The most serious effect of the Oligarchs' Charter was well conveyed by Greta Thunberg during her 2019 speech at the UN Climate Summit: "People are dying. Entire ecosystems are collapsing. We are in the beginning of a mass extinction, and all you can talk about is money and fairy tales of eternal economic growth."

Or, to put the impending catastrophe of unstable temperatures, natural disasters, crop shortages, resource wars, and mass migrations into the words of the Chartist period, "One vast spoliation! ... the greatest calamity ... millions of human beings ... fight[ing] for mere sustenance ... tear[ing] each other to pieces till famine, and pestilence ... come to turn the terrible commotion into a more terrible repose." *But that was Macaulay's prediction of what would follow from an equitable distribution of property.*

Lord Macaulay couldn't imagine that, in the end, the inequitable distribution of property he so cherished would lead to despotism and the plundering of the natural world.

¹³ Freedom House, Freedom in the World 2019, p. 1.

Can Democracy Be Completed?

The relationship between the Oligarchs' Charter and climate change gets to the heart of the matter. Even though the science has been crystal clear for over 30 years, Thunberg supposes that governments don't quite grasp the urgency of the climate catastrophe: "If you really understood the situation and still kept on failing to act, then you would be evil. And that I refuse to believe." But believe she must, as must we all. Oil and gas companies have spent hundreds of millions of dollars on lobbying "to control, delay or block binding climate-motivated policy."¹⁴ Transparency International has tied illegal deforestation and the derailing of climate change funds to multiple forms of corruption.¹⁵ And fossil fuels interests have generously funded the climate change denial movement, despite knowing the truth.¹⁶

Avarice so extreme as to prefer apocalypse over a reduction in profits: that's the juncture we've come to as a civilization, which is to say, we've reached not civilization but barbarism. And in his own backwards way, Macaulay predicted this, too: "Where property is insecure, no climate however delicious, no soil however fertile ... can prevent a nation from sinking into barbarism." That thinking still applies to some violent revolutions, attempts at pure socialism, and failed states. But none of these is driving our moment in history.

Where private property has accumulated in the hands of the few and been permitted to exercise undue influence over political systems, greed determines the course of economics, politics, and even the climate. Such greed is neither accidental nor inevitable, but the result of widespread and systematic vulnerabilities in the democratic form. Despite universal suffrage, the aristocracy of wealth has been permitted to dominate humanity.

Extreme levels of economic inequality, political inequality, and environmental destruction have already determined the shape of the 21st century. These are the effects of our failure to complete democracy. The many nations of the world will either rescind the Oligarchs' Charter—and produce real democracy—or send the liberal order and the natural world to their graves.

¹⁴ Niall McCarthy, "Oil and Gas Giants Spend Millions Lobbying To Block Climate Change Policies," *Forbes Magazine*, March 25, 2019.

¹⁵ Transparency International, *Global Corruption Report: Climate Change* (2011), pp. 3–15.

¹⁶ Naomi Klein, *This Changes Everything: Capitalism Vs. the Climate* (Simon & Schuster, 2014), pp. 31–63.