1 Introduction

The Wealth-Power Nexus

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As candidate, one of Donald Trump's most striking claims was that his personal wealth made him more trustworthy than rivals who had to rely on rich corporate backers. It's hard to deny that accelerating inequality is a major driver of our turbulent politics today. This is starkest in the ways the rich attempt to convert their wealth into political power.

As an example, consider the world's largest company: Walmart (Fortune 500). Walmart is active in 26 countries and has 11,400 stores and 2.3 million employees (Walmart Annual Report 2021). In 2020, Walmart's CEO was paid a salary of $23 million, which is 1,078 times more than the median worker at Walmart (Institute for Policy Studies 2021). Walmart is active in US politics, spending between $6 and $8 million on lobbying annually during the past decade (Open Secrets 2022). The company has lobbied against the rise of the federal minimum wage in the United States and in favour of a federal programme that provides poor Americans with food stamps. The reason is that Walmart receives about $13 billion in revenue from food stamps spent at Walmart, to a significant degree by its own employees.[1] Walmart employs various strategies to avoid paying taxes, including accelerated depreciation of its assets and concentration of profits in a set of 22 shell companies in tax shelter Luxembourg (Americans for Tax Fairness 2015).

Walmart was founded in 1962 by Sam Walton. His heirs still own just under 50% of the shares of the company, making the Walton family the wealthiest family in the United States, with a net worth of $238 billion. Like many wealthy individuals in the United States, the Walton family has its own charitable foundation: the Walton Family Foundation. The Walton heirs, however, have only contributed $58.5 million to the foundation, which amounts to about 0.04% of their net worth (O'Connor 2014). The foundation has mainly been funded through tax-avoiding trusts established by the first generation.

But it's not fair to pick on Walmart only. We could have chosen any famous company, and there's a good chance we would discover they were paying massively unequal salaries, donating money to politicians,

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using a business model that takes advantage of government regulations, and moving around the world to avoid taxes.

This kind of nexus between wealth and power forms the background against which the chapters of this volume are framed. At its heart lies the question of whether political equality is viable given the unequal private property holdings characteristic of a capitalist economy. This question is becoming increasingly obtrusive in an age of accelerating economic inequality. The volume approaches the relationship between private property and political power from two angles. First, wealth can influence politics, for example through campaign finance and lobbying. Second, power can arise in the supposedly voluntary private sphere, for example through the power of companies over their workers and the unaccountable power of philanthropists and corporate social responsibility (CSR). Our contributors also discuss mechanisms and institutions that have attracted less attention from political theorists and philosophers, such as sovereign debt, competition law, and common property regimes (CPRs). The volume moves from broad theoretical perspectives in Part One ('Theoretical Orientations') through to detailed analysis of economic and political policy areas an institutions in Parts Two ('Power in the Economic Sphere') and Three ('Wealth and Democratic Institutions'). Our ambition is to connect concrete and topical issues with fundamental debates in political theory and philosophy, engaging with and drawing on other disciplines such as political science, economics, and law in the process.

The remainder of this chapter situates our work in the context of the history of political thought and recent work in the social sciences and political philosophy. It then develops a basic conceptual framework to organise the breadth of work on the topic, followed by brief introductions to the chapters in each part of the volume.

1 Background and Contemporary Research

1.1 Historical Background

In the premodern world, it was commonplace that wealth and power would go together. This was equally clear to monarchs as it was to republicans. An interesting example of how the rules of property could be adapted for political purposes comes from the Byzantine empire in the tenth century (McGeer 2000). After a series of bad winters, the emperor passed new land laws, forbidding poor peasants from selling their land to wealthy nobles. The emperor described his laws as an attempt to protect the poor from being exploited by the nobles. However, it's likely that his true motive was to prevent land falling into the hands of aristocrats who might challenge his own power. The emperor was manifesting the common premodern assumption that wealth and political power would unavoidably combine one way or another. The city republics of ancient Greece and Rome and medieval Italy faced the same issue, and it was widely assumed that the dispersal of political power was only sustainable so long as economic resources were also dispersed along roughly similar lines. Sometimes, cities attempted to deliberately engineer this kind of economic equality through agrarian laws which redistributed land or restricted its transfer. However, most thinkers (including Aristotle and Machiavelli) were relatively pessimistic about the prospects for this kind of deliberate engineering. Instead, there was a tendency to think that cities lucky enough to have the socioeconomic preconditions for constitutional government could enjoy constitutional government, and cities which did not would be governed by other kinds of regimes.

European liberal modernity claimed to cut this ancient connection between wealth and power. The historian Rafe Blaufarb (2019) has described the French Revolution and its global influence as effecting a 'great demarcation' between property and power, private and public spheres. Modern democracies would far outstrip the ambitions of ancient republics in the scale and diversity of the populations they would seek to govern. The liberal ideal is one in which the public realm of the creation and administration of law would proceed in perfect independence from the inequalities of private life. Of course, this was accompanied by a great deal of worrying that the poor would fail to appreciate the merits of this ideal and would expropriate the rich, justifying, somewhat ironically, the restriction of political rights according to property holdings. As it happened, the later, twentieth-century erosion of property qualifications did not lead to widespread expropriation. However, the triumph of the great demarcation was almost from the beginning accompanied by a socialist critique. For Karl Marx, the separation of political and economic realms was a contradiction which a better society of the future would supersede by subordinating the economy fully to democracy.

After the Second World War, the potential contradiction between capitalism and democracy was attenuated by an era of high marginal tax rates on income and relative economic equality in the wealthy nations. The topic fell low on the agenda of political theorists and philosophers. However, after 40 years of renewed growth of inequality in many countries, the old problem is raising its head again.

1.2 Contemporary Social Science

Over the last decade, increasing economic inequality has been pushed to prominence in economics and in public debate by Thomas Piketty (2014) and his associates (Atkinson, Piketty, and Saez 2011; Atkinson 2015; Alstadsæter, Johannesen, and Zucman 2018). In particular, they popularised the concept of the U-shaped pattern in inequality in the twentieth century, with the income and wealth share of the richest falling in the first half of the century and then rising again since the 1970s. Since then, further studies have confirmed a picture in which inequality is currently on the rise in most countries in the world (Chancel et al. 2021).[2] Wealth inequality may be judged from a variety of perspectives (such as its intrinsic unfairness, or its detrimental economic effects on growth). Here, it forms the background for the political question whether democracy is subverted by economic inequality. Political scientists have long been interested in this question and come to various conclusions (Schattschneider 1960; Lindblom 1977; Dahl 2005; Schlozman, Verba, and Brady 2012). However, the topic is inherently difficult to study. Studies of campaign finance in the United States have found it notably difficult to establish a link between campaign donations and electoral success, or of legislators advancing donor's interests (Levitt 1994; Ansolabehere, de Figueiredo, and Snyder 2003). This runs contrary not only to folk wisdom in general but also to the folk wisdom of politicians themselves, who certainly act as though campaign donations were crucial to their success.

A recently prominent approach has attempted to cut the Gordian knot of figuring out the mechanisms by instead looking directly at overall outcomes and asking how far they reflect the preferences of the wealthy versus the rest. In a famous paper, Martin Gilens and Benjamin Page used a dataset of 1779 instances in which the public had been surveyed on policy questions appearing before the US Congress (Gilens and Page 2014; see also Bartels 2010; Gilens 2014). They found that the preferences of business interest groups and citizens at the 90th percentile of income had predictive power for what Congress would do. For example, when fewer than one in five members of the wealthy group supported a policy change, it occurred around 18% of the time. But when four in five supported a change, the change had a 45% chance of happening. By contrast, the preferences of citizens at the median level of income had no statistically significant impact on what Congress did. The vast majority of research of this kind focuses on the United States. However, some studies have purported to find similar effects in other countries, such as the Netherlands (Schakel 2021).

Other social scientists have tended to approach the topic through a less quantitative route, focusing on the transformation of the party system in European countries, particularly social democratic parties. Peter Mair (2013) wrote about the 'hollowing out' of mass parties, leading to a state of what Colin Crouch (2004; 2011) called 'post-democracy': politics without any clear ideological alternative to neoliberalism. Wolfgang Streeck (2017) has pursued a similar line, laying the blame on globalisation for pushing countries towards a race to the bottom in competition for investment capital and trade competitiveness.

1.3 Contemporary Political Philosophy

The relationship between wealth and power has not been a major topic in recent political philosophy, and it is part of the ambition for this volume to change that. While some of the particular issue areas covered in this volume have been addressed, work on these issues has largely proceeded in isolation from one another. Nonetheless, three particular debates are worth mentioning.

First, money in politics has played an important role in interpretations of John Rawls' (1999; 2001) idea of a property-owning democracy. For Rawls, the first principle of justice requires equal political liberties, and moreover that these rights be given their *fair value* – equal in substance and not merely in form. Given that this is lexically prior to considerations of distributive justice, it is potentially highly significant for the design of economic as well as political institutions. For Rawls, it is the fair value of political liberties, which requires us to move from a capitalist welfare state to the more robustly redistributive property-owning democracy or liberal socialism. These ideas are explored in detail in a volume edited by Martin O'Neill and Thad Williamson (2014). William Edmundson (2017) has argued that the corruption of political equality cannot be prevented so long as the means of production are privately owned, and that Rawls's theory of justice should therefore properly be understood as endorsing a form of liberal socialism. Others, such as Alan Thomas (2016) have defended the idea that the fair value of political liberties might be realised by property owning democracy. Richard Arneson weighs in on the debate in this volume.

The theoretical debate on property-owning democracy has fed through to more applied discussions about campaign finance. This topic (addressed here by Chiara Destri) is the subject of a relatively sizeable literature in political philosophy, albeit one that tends to be rather dominated by the context of US constitutional law (see among others Beitz 1990; J. Cohen 2001; Christiano 2012; Pevnick 2016; Bennett 2020).

The second major debate in political theory in which wealth and power has played an important role is the debate within neo-republicanism, addressed in this volume by Jessica Kimpell Johnson. The version of republicanism revived by Phillip Pettit (1999) focused on the principle of non-domination. John McCormick (2011) charged Pettit with advancing an aristocratic version of republicanism, and argued for a plebeian alternative drawing on Machiavelli. This has led to an interesting debate on republicanism's attitude to democracy and oligarchy and the extent to which capitalism's influence on democracy is a source of domination (White 2011; Gourevitch 2014; Vergara 2020). McCormick also put on the agenda the idea of class-specific political institutions inspired by the Roman Tribunate, which aristocrats were banned from participating in, an idea which has intrigued many thinkers concerned with problems of oligarchy, including Stuart White and Elliot Bulmer in this volume.

The third debate worth mentioning is a collection of discussions around the nature and power of corporations. Corporate power has been a locus of broader discontents with the world of growing inequality and the entanglement of wealth and power. Part of the discussion has been about what the corporation *is*, normatively speaking, with David Ciepley (2013) making an influential argument for viewing corporations as franchises of government rather than the result of the exercise of individual economic liberties. This discussion connects to a somewhat separate line of debate about democracy in the workplace, addressed here by Thomas Christiano (see, among others, McMahon 1994; Ferreras 2017; Singer 2019). Others have raised questions about the political implications of practices of CSR, addressed here by Emma Saunders-Hastings (Scherer and Palazzo 2007; Hussain and Moriarty 2014). Finally, concerns about corporate power have also manifested in a new movement within the world of competition and antitrust law to look at firms' political impacts beyond their impact on economic welfare, a topic which Gerbrandy and Phoa address here.

While some of the chapters in this volume contribute to these debates, others treat topics which have barely registered in political theory and philosophy, such as lobbying (Phil Parvin), CPRs (Yara Al Salman), public choice theory (Brian Kogelmann), and sovereign debt (Anahí Wiedenbrüg and Patricio López Turconi). Our ambition is to bring together these disparate strands in order to get a broader perspective on the general phenomenon of wealth's relationship to power. To do this, it is useful to have a minimal orienting framework.

2 Conceptual Framework

In this section, we set out a general conceptual framework for thinking about the relationship between wealth and power. The framework is intended to be a means through which the various contributions to the volume can be located in relation to one another. It has three elements: first, the idea of liberalism's public/private divide: a division between a power-wielding state from which wealth should be absent, and a market economy from which power should be absent; second, the two ways the division can be transgressed by the power of the wealthy: by the wealthy subverting the power of the state, and by directly exercising power within the economy; and third, the four different approaches to responding to the transgression, either aiming to reassert the public/private divide or to move beyond it.

2.1 Liberalism's Public/Private Divide

A core feature of liberalism is the division of social life into two distinct spheres, each with its own norms and characteristics (Walzer 1984; Ciepley 2013). Liberalism's public/private distinction is complex topic with important applications to various subjects, particularly religion, gender, and the family. Here, we focus only on public/private in political economy.

In this context, we can loosely think of the public sphere as consisting of the government, politicians and political parties, and the activists and media organisations, who make up the 'informal' public sphere. By contrast, the private sphere consists of workers, investors, and consumers transacting on the market and organised into firms. The underlying distinction, however, is not between types of organisations but between norms. In their private capacities, people are legitimately oriented towards their private interests. They are free to pursue their own projects in life, dispose of their property as they wish, and contract and co-operate with whomever they want. By contrast, in their public capacities, people should be oriented towards the public interest. Realising normative ideals of justice is the responsibility of the public sphere. A significant part of the public interest consists in the proper ordering and regulation of the private sphere.

Liberalism is defined (at least in part) by the sharp distinction it seeks to enforce between these spheres. This entails a view about the legitimate distribution of power. Public institutions need to have political power in order to promote the public interest, especially when this requires regulating the private sphere. Political power is coercive and inescapable for citizens: it sets general rules that all citizens have to obey. Minimally, this implies rule-of-law norms about public authorities treating citizens equally. But it is usually also taken to imply a demand for democratic accountability and political equality: an equal opportunity to determine the laws. Conversely, the private sphere is supposed to be a realm in which (political) power is absent. Were power to be found in the private sphere, it would be subject to the same demand for democratic accountability and would have to become part of the public sphere in order to satisfy this demand.

2.2 Transgressing the Public/Private Divide

This book concentrates on the potential of private wealth to generate power, a transgression of the private/public divide. It is useful to distinguish two different ways in which this happens. Both of them lead to the exercise of 'power' by 'wealth' (i.e., wealthy individuals or organisations).

We refer to the first kind of transgression as *wealth in the state*. This exercise of power is mediated: wealth crosses into the state and captures public policies for private interests. Recall that according to the standard liberal public/private distinction, the public sphere is charged with regulating the private sphere to promote the public interest. This is represented by the downward arrow in Figure 1, showing the exercise of power or influence from the state over the private sphere. This creates an

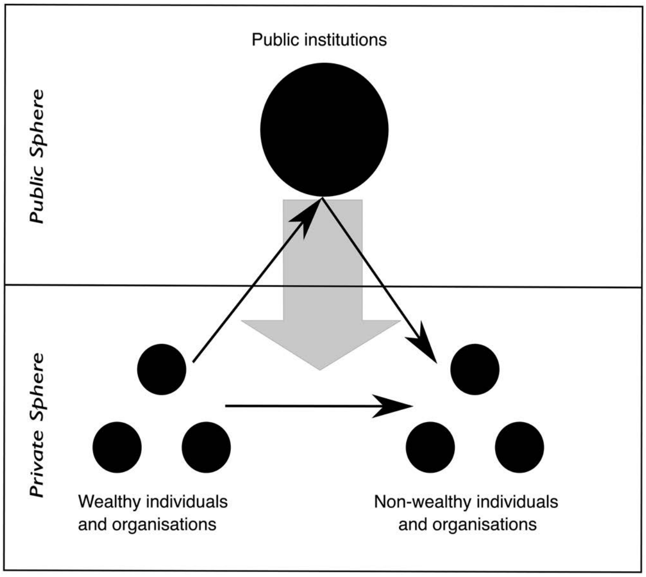

Figure 1 Types of transgressions of the private/public divide.

opportunity for wealthy private agents to hijack the state's power. This is represented by the arrows from the wealthy to the non-wealthy via public institutions.

The means by which this can occur are various. Sometimes people seek to directly and intentionally use their economic resources to influence state policy. This encompasses a spectrum of motivations, from economic agents engaging instrumentally in politics to further their economic goals (for example, a company lobbying for subsidies), to people using their economic resources to further unrelated political goals (such as a billionaire donating to abortion campaigners). These topics are the subject of the chapters by Phil Parvin and Chiara Destri. Beyond this, there are emergent influences, which arise when economic forces influence political outcomes without anyone directly intending that they do so. This includes the following (non-exhaustively): capital flight (the threat of disinvestment prompting revisions in government policy); sovereign debt financing (on which see the chapter by Anahí Wiedenbrüg and Patricio López-Cantero); and citizens' differential participation in politics according to socioeconomic class.

We turn now to the second type of transgression of the liberal public/private distinction, which we call *power in the economy*. This involves wealthy individuals or organisations directly exercising power over less wealthy individuals or organisations within the economy (without the mediation of the state). This is represented in Figure 1 by the arrow connecting the wealthy with the non-wealthy. The scope of this transgression depends on how exactly one understands power in the economy and its badness, which is a controversial topic. To illustrate, consider three views we can label 'the libertarian,' 'the economic,' and 'the radical.' On a libertarian view, the absence of power from the economy means that in markets, transactions must be consented to, whereas in politics, minorities are coerced into compliance. On this view, power exercised directly in the economy means force or fraud which renders exchanges involuntary (such a view obviously raises questions about the legitimacy of property rights, on which see Chapter 6 by Jessica Flanigan's). The economic view is encapsulated in models of perfect competition in which no individual has any power to determine prices. Power in the economy on this view is what economists call 'market power': the ability of a market agent to influence prices. Other sources of market failures, particularly externalities and information asymmetries, might also count as instances of power on this view; they certainly depart from the ideal of perfect competition. Finally, a radical view would hold that property itself is a kind of power such that inequality in private property holdings entails inequality of power, and a market economy can only claim to be free from unequal power insofar as property holdings are equalised.

The two ways of transgressing of the private/public divide (wealth in the state and power in the economy) can coexist in a vicious feedback loop. For example, a company might lobby the government for unfair advantages, which it uses to increase its market power, which it uses to further lobby the government. Walmart's use of the food stamp programme in the United States, with which this introduction started, is an example of this dynamic.

2.3 Approaches to Transgressions

This brings us to the key question of responses to transgressions of the liberal public/private divide. We propose a taxonomy of four ideal-type approaches: insulation, market failure regulation, redistribution, and economic democracy strategies (for an overview, see Figure 2). These each bear a different relation to the private/public distinction, and the two types of transgressions mentioned above.

A first distinction is between strategies which attempt to protect the public sphere from economic influences, and all other strategies, which try, one way or the other, to reduce power concentrations in the economy.

Strategies of *insulation* aim to better police the boundary between the public sphere and the private to reduce the influence of the economy over politics. In particular, they try to prevent economic inequality spilling over into political inequality. Insulation is the best understood approach and the traditional centrepiece of discussions about wealth and power. Insulation strategies can be seen most clearly in attempts to

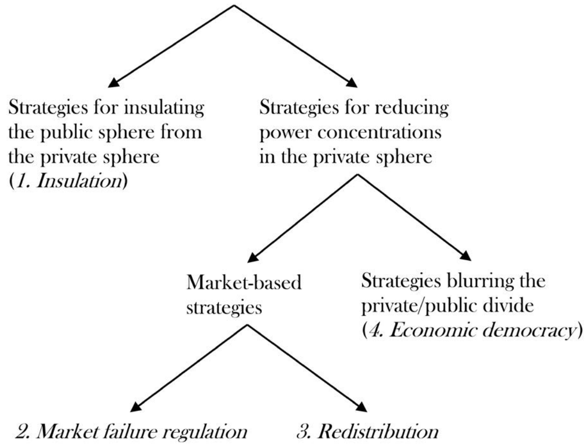

Figure 2 Ways of responding to transgressions of the private/public divide.

curb intentional influences such as bribery or unequally funded political speech: anti-corruption laws, political finance laws and policies for the funding of speech in the broader public sphere (see the chapters by Parvin and by Destri). On a more fundamental level, the design of the constitution influences the extent to which public institutions can function without problematic forms of interference (on which see Brian Kogelmann's chapter). Stretching the metaphor of insulation somewhat, this can extend to constitutional measures intended not merely to frustrate the disproportionate influence of the wealthy but to actively counterbalance it by increasing the political power of the non-wealthy (see the chapter by Stuart White and Elliot Bulmer). These policies and procedures are supplemented by informal social norms around corruption and the use of wealth for political purposes (addressed by Kimpell Johnson and by Richard Arneson). By definition, insulation strategies only address the problem of wealth in the state, and do not attempt to deal with the problem of power in the economy.

The other, non-insulation strategies envisage reforms of the private sphere itself to prevent the emergence of concentrated power within the economy. By definition, such strategies directly address the problem of power in the economy. However, they can also indirectly address the problem of wealth in the state by making the private sphere more compatible with the public sphere; rather than reducing economic influences on politics, they reform the private sphere such that the influence of the economy over politics is more benign. Within this set of strategies, we can make a distinction between those strategies which accept the economic domain as a private sphere dominated by markets, and those strategies which import public norms of democracy into the 'private' economic realm.

Let's first discuss the market-based strategies. These engineer the economy such that the self-seeking norms of the private sphere remain viable. The goal is to realise the ideal of the market as a sphere free from power.[3] The key distinction within this category is between strategies of *market failure regulation* and strategies of *redistribution*. This distinction tracks the distinction made in the previous section between libertarian, economic, and radical interpretations of the ideal of the power-free market.

Strategies for regulating market failures ensure the integrity of the market on the libertarian and economic interpretations. On the libertarian view sketched in the previous section, the prevention of force or fraud is all that is required. On the economic view, the possibilities are much more extensive. Of particular interest is competition/antitrust policy, working to curb market power in the strict sense (on which see Anna Gerbrandy and Pauline Phoa's chapter). More generally, regulations to keep competition fair by correcting market failures fall into this category.

Strategies of redistribution counter power on the more radical interpretation of power in the economy.[4] The classical form of this strategy refers to the welfare state, with its social insurance and benefit programmes. More ambitious redistributive agendas aim to realise what James Meade (1964) and Rawls called 'property-owning democracy' (O'Neill and Williamson 2014). In practice, this would likely require some kind of heavily progressive taxation funding a universal entitlement, either as a lump-sum grant when people reach adulthood ('basic capital') or as an ongoing stream ('basic income'). Some advocates of basic income explicitly make the connection with allowing people to escape relations of power in the economy (Zwolinski 2012; Widerquist 2013), and Huub Brouwer in his chapter discusses redistributive schemes in the context of automation.

Finally, the approach of *economic democracy* is to deal with the direct exercise of power in the economy by importing norms and associated institutions for dealing with power from the public sphere. Whereas the market-based approaches respond to power in the economy with a demand for independence in the market, the economic democracy approach responds to power in the economy with a demand for democratic accountability. Policies which might form part of an economic democracy approach include worker participation (discussed by Igor Shoikhedbrod and Thomas Christiano in this volume), CPRs (examined by Yara Al Salman), and reforms to increase democratic input in corporate governance (analysed in the chapter by Michael Bennett and Rutger Claassen). Private parties who engage in CSR and philanthropy are often criticised on the basis that these activities *should* be subject to greater democratic accountability, a topic addressed by Emma Saunders-Hastings's chapter. What these have in common is that they blur the public/private divide by creating hybrid institutional forms in the economy which are governed by a complex mixture of public and private norms.

When it comes to both the regulation of market failures, redistribution and economic democracy, these strategies may be prized not only for their contributions to keeping power out of the economy, but also, as a consequence, for keeping wealth out of the state. Traditionally, the idea of making the private sphere more compatible with the public sphere (regulating the economy in the interests of democracy) has been understood solely in terms of (re)distribution (Beitz 1990; Machin 2012). However, our framework makes it clear that strategies of regulating market failures and strategies of economic democracy can also make a contribution in this regard.

These four strategies are unlikely to be simple substitutes for one another, delivering the same results via different routes. At the limit, total success in one approach might render the others redundant: if we were solely concerned with keeping power out of the state, and if we could totally insulate politics from the economy, attempting to use the other strategies to render economic influences on politics more benign would be unnecessary. However, if we take a broader view of our goals (a direct concern for power in the economy beyond its influence on the problem of wealth in the state), and/or a more realistic view of any strategy's prospects of success, the four approaches are more likely to be complementary. Which strategies we should endorse or put emphasis on will depend on considerations of cost and efficacy as well as normative ideals.

3 Overview of the Contributions

3.1 Theoretical Orientations

Part One of the volume addresses the general topic of money and power through five different theoretical lenses. Each of the major theoretical traditions of European political thought has a distinctive view of the topic, and their views of this topic are part of what distinguishes them. Each chapter in this first part of the volume looks at money and politics from a different theoretical tradition: republican, egalitarian liberal, classical liberal, Marxist, and anarchist.

We start with the oldest of these traditions, and one which has always foregrounded the problem of wealth and power: republicanism. Starting with the contemporary debate, Jessica Kimpell Johnson (Chapter 2) argues the predominant character of republican responses to wealth and power in the last decade has been constitutional and institutional in nature. Kimpell Johnson traces this institutionalist approach historically from the work of James Harrington, culminating with the Federalists and informing the contributions of John McCormick and Phillip Pettit today. She argues that this approach neglects key elements of the classical republican concern about norms, which warns that the functioning of institutions is dependent on systems of norms and the character of political culture. Developing a supportive civic culture of political equality among citizens must be integral to the contemporary programme for republican freedom – as laws and institutions alone, even if they aim at political equality, will neither be stable nor sufficient. The chapter ends by briefly engaging with how Tocqueville's ideal of the free citizen could be coupled with 'localism' to suggest practices for developing norms of equal access and influence.

The next two chapters represent different sides of the dominant political tradition today, liberalism. Richard Arneson (Chapter 3) examines the egalitarian incarnation of liberalism which has flourished in the wake of John Rawls. Taking equality as the central value, he constructs a conceptual map of how egalitarianism relates to the question of capitalism and democracy. Starting from fundamental issues in moral philosophy, Arneson distinguishes between two types of egalitarian view. Welfarist egalitarians evaluate social arrangements according to their influence on the distribution of well-being. Relational egalitarians, on the other hand, prioritise the elimination of social hierarchy. Welfarist egalitarians are likely to object to the political inequality on instrumental grounds, whereas relational egalitarians are directly committed to a principle of equality of opportunity for political influence. Arneson stretches the two views to their limits using a series of examples, and shows how they can produce divergent assessments of the influence of money in politics under different circumstances. One interesting upshot is that relational egalitarians are not as categorically opposed to the influence of economic inequality in politics as they might initially appear: wealth is just only one potential threat to political equality, and conceptually it could counteract as well as exacerbate other potential threats.

While Arneson addresses a literature connecting liberalism with moral philosophy, Brian Kogelmann (Chapter 4) looks instead at a body of work which connects liberalism with political economy. His subject is public choice theory, the pre-eminent contemporary expression of classical liberal ideas about money and politics. Public choice theory analyses political institutions using the tools and methods of economics. Kogelmann asks what public choice theory can teach us about political equality as a normative ideal, by focusing on the relationship between rent seeking and political inequality. One important lesson from public choice theory is that political inequality is sometimes driven by unequal wealth, but is sometimes driven by other, more subtle factors. Thus, even if we lived in a society where wealth was distributed in a perfectly equal manner, political inequality would still be a significant problem. Kogelmann canvasses some of the novel proposals public choice theorists have made for addressing the problem of rent-seeking. He concludes by asking whether democracy is doomed to descend into crony capitalism as some public choice theorists have suggested. Hope on this score is not necessarily foolhardy, but it does require relaxing some of public choice theory's assumptions about human selfishness.

Having put two different accounts of liberalism on the table, the next chapter (Chapter 5) proceeds to their classic antagonist. The relationship between economic and political power plays centre stage in the critique of liberalism advanced by Karl Marx and his successors. Igor Shoikhedbrod takes us on a journey from Marx's own earliest attempts to grapple with the subject through to contemporary democratic socialists. Shoikhedbrod argues that Marx's approach was shaped in his very first journalistic work, which reported on how wealthy forest owners were able to get the customary practice of gathering fallen forest wood criminalised by the Prussian state as an instance of property theft. Shoikhedbrod proceeds to elaborate a Marxian account of political domination and contrast it favourably with liberal egalitarian and neo-republican attempts to address the problem. Finally, he surveys contemporary proposals for democratising the economy, including worker-owned and managed cooperatives, as well as democratic control over investment. In the terms set out above, Shoikhedbrod's Marxian perspective is that the influence of economic structures on political equality is so fundamental and intransigent that attempts at insulation will necessarily fail. Instead, an economic democracy strategy is required which ultimately abolishes capital as a social relation in order to make true democracy possible.

Jessica Flanigan (Chapter 6) closes Part One by providing an even more radical perspective, from the anarchist tradition. She concentrates on individualist or rights-based anarchists who focus on the wrongness of coercion. These thinkers do not share the concern to purify political power from economic influences which can be traced in the other political traditions, because they hold that our goal should instead be the eradication of power altogether. Flanigan asks how this ideal can be approximated so long as states still exist. She argues that unjust enforcement of many public policies has meaningfully determined the status quo distribution of property. In light of this, a 'smaller' (more laissez-faire) state is not necessarily a better state because it entrenches a distributive pattern that has been determined by injustice. Instead, increasing redistribution or social programmes in some ways may reduce the burdens of being subject to unjust law enforcement and compensate people for the imposition of a property system without their consent. In particular, Flanigan argues in favour of a basic income to achieve these goals.

3.2 Power in the Economic Sphere

The chapters in Part Two of the volume turn to concrete constellations of power in the economic sphere, critically discussing them with reference to normative standards of democracy and legitimacy. The first three chapters in this part focus on corporations, the fourth compares corporations and philanthropy, while the final chapter in this part turns to the commons as an alternative venue.

Thomas Christiano's contribution (Chapter 7) focuses on worker participation in firms. Workplaces are taken by many philosophers as quintessential sites of power, where employers routinely dominate the working conditions, actions, and ultimately lives of their employees. Christiano takes a broad view of worker participation, including co-determination, works councils, union bargaining, and worker cooperatives. He argues that on several important values, a case can be made for worker participation, whatever its precise form. First, worker participation is economically efficient: firms subject to co-determination do not perform worse than firms in other jurisdictions, and worker cooperatives are no less efficient than their capitalist counterparts. Second, worker participation scores well on the value of equality, understood as equality of power between workers and owners of firms. It helps redress the power imbalances in labour markets. Third, worker participation also leads to greater and better political participation, since it helps those at the lower scale of the income ladder to be more informed participations in politics. Finally, worker participation sensitises firms to the wider concerns of society with respect to widespread negative externalities (like environmental pollution). Importantly, for Christiano, these conclusions hold while accepting the context of a market-based economy. To redress the power balance is compatible with free markets as the main site of economic cooperation.

Michael Bennett and Rutger Claassen (Chapter 8) turn to positive action by corporations. Corporations are increasingly asked to pursue a substantive 'purpose,' instead of simply acting for the market-induced aim of profit maximisation. They compare this emerging 'purpose regime' not just to the regime of profit-maximisation, but also to the early nineteenth-century regime of 'special incorporation.' At that time, corporations still had to be chartered by governments, for a substantive public purpose (operating a bridge, digging a canal, etc.). The historical public purpose regime relied less on market discipline and more on democratic accountability for its legitimacy. In a way, today's call for 'purpose' resembles this earlier practice. Bennett and Claassen argue that the politicisation of corporate purpose is welcome, but that this earlier episode shows how politicisation can go wrong. Arbitrariness and corruption marked the relations between business and governments during the special incorporation regime, which partly explains its demise. To avoid such problems, they propose three desiderata for 'proper politicisation,' and finish with a discussion of various proposals for corporate reform which may realise these desiderata.

In their chapter, Anna Gerbrandy and Pauline Phoa (Chapter 9) take issue with the way markets are constructed through the provisions of competition (antitrust) law. Their focus is on the large tech companies structuring the platform economy. Gerbrandy and Phoa argue that we should see the tech companies as examples of 'modern bigness.' This phenomenon emerges when a company is able to project different types of power (they note the 'instrumental,' 'discursive,' and 'structural' forms of power) across different domains in society (they note the personal, social, economic, and political domains). This poses problems for competition law's ability to be a 'counter power,' for the latter is traditionally conceived only to provide a solution to firms' market power. Modern bigness, however, threatens notions of the personal autonomy and agency of market agents, as well as the integrity of the political domain. All of these were assumptions for treating market power as a distinct problem. Gerbrandy and Phoa argue that competition law may have to expand its scope, although in the end, this is a political question, which also depends on the availability of alternative regulatory mechanisms, with which competition law has to work in tandem.

Emma Saunders-Hastings' chapter (Chapter 10) also discusses the use of economic power for seemingly positive purposes. Her aim is to compare the democratic credentials of two related yet distinct practices: CSR initiatives by corporations, and philanthropy by wealthy donors. Both CSR and philanthropy are exercises of economic power for the benefit of third parties. As such, they may conflict with public goals set by the democratic procedures of states and other public bodies. To evaluate such initiatives, Saunders-Hastings argues in favour of a forbearance approach. While they are not themselves democratic practices, it is sufficient if CSR and philanthropy are not undemocratic, i.e., are not interfering with democratic processes, nor undermining the pursuit of democratically adopted projects. Measured against this standard, Saunders-Hastings argues that CSR practices are often less worrisome than philanthropy. CSR initiatives often are publicly visible and aim to create good will, as when companies like Disney donate to the Make-a-Wish Foundation. They follow the standards of morality set by the public, instead of trying to subvert them. By contrast, philanthropic initiatives are more likely to work outside of the spotlight to influence policy makers' and others who make public policy. For example, philanthropic gifts in the area of education or pension plans are often conditional on education policy being sensitive to donors' rather than citizens' preferences. Through such philanthropic initiatives, influence is exercised that avoids public scrutiny, thus undermining democratic legitimacy.

Yara Al Salman's contribution (Chapter 11) discusses the power-related effects of ownership institutions. She adopts a republican conception of non-domination, which leads her to identify two criteria for legitimate ownership institutions. These institutions have to be able to help people exercise their basic capabilities, and do so in a way that gives them control over the resources needed to do so. Al Salman applies these criteria to compare individual and group ownership, arguing that group ownership performs much better than commonly thought. In particular, a conception of group ownership she calls 'sharing in common,' can help people collectively control their resources, reducing arbitrary dependence on others. This conception is inspired by CPRs for agricultural purposes, studied empirically by Elinor Ostrom and others. However, 'sharing in common' is a more demanding idea than what occurs in most CPRs because it requires democratic relations of equal power. Al Salman illustrates her argument with a discussion of newly emerging knowledge commons such as Wikipedia. In such arrangements, power is shared equally, and consensus is required for decision-making. These demands do not (*pace* many economic arguments) disable an efficient use of resources, as the success and survival of such knowledge commons attests. Commons structures are thus an avenue for economic power under democratic control which is different from, but complementary to, the forms of corporate accountability discussed in the preceding chapters.

3.3 Wealth and Democratic Institutions

The chapters in Part Three discuss how inequalities in wealth can undermine the functioning of democratic institutions.

In his chapter, Phil Parvin (Chapter 12) points out that there has been an explosion in the number and influence of lobby groups in the United Kingdom, United States, and Europe. This prompts him to ask what role (if any) lobbyists should play in a democracy. Parvin argues that lobbyists can potentially play a central and positive role in democratic decision-making, but that ensuring fairness and equality of access would require a fundamental re-ordering of democratic practice as it exists in the world. Lobbying is in theory a benefit to democracy: not only is it protected by widely endorsed commitments to rights to free speech and assembly, but it is also instrumental in supporting democratic functioning and representation. However, Parvin considers two common objections to lobbying: the egalitarian and the libertarian objection. The egalitarian objection holds that lobbying skews democratic decision-making by allowing elites to influence democratic decision-making to their advantage. The libertarian objection takes lobbying to be problematic because it distorts the functioning of free markets by enabling 'crony capitalism' and allowing interest groups to enlarge the state. Parvin ends the chapter by pointing out that avoiding the harmful aspects of lobbying is difficult because lobby groups representing elite interests have engaged in norm capture: interests contrary to those of elites have come to be regarded as infeasible, inadmissible, and dangerous.

In Chapter 13, Chiara Destri discusses the role of money in politics by focusing on campaign finance and political parties. She argues that philosophical debates about campaign finance have typically overlooked the importance of political parties. To make her case, Destri starts out by claiming that parties are ideally suited to organise political campaigns in accordance with the democratic ideal of collective self-rule because they can perform epistemic, justificatory, and motivational functions. After outlining the normative debate on campaign finance, she goes on to argue that campaign regulations affect parties' capacity to discharge these three functions, as well as their internal structure. Destri ends the chapter by arguing that campaign finance regulation should be designed in a way that harnesses internal democracy in parties. This could be done by a two-staged voucher system that gives citizens two vouchers: one to fund their party of choice and one to support internal candidates at party primaries and their local branch delegates that are sent to the party conference.

In the next chapter, Elliot Bulmer and Stuart White (Chapter 14) ask how constitutionalism can be used to address the dangers of oligarchy. They start by drawing a distinction between oligarchical *capture* of the state and oligarchical *distortion* of public policy. By oligarchical capture, they refer to the undue opportunity for political influence that the wealthy and/or business corporations can come to hold. By oligarchical distortion, they refer to the impact of oligarchic power on public policy, to the way this can skew policy away from the interests of the wider community. They then consider how provisions within a codified and entrenched constitution can serve to limit oligarchical distortion and oligarchic capture.

In Chapter 15, Huub Brouwer looks at two prominent proposals for responding to growing wealth inequality: a basic income and a capital grant. He examines the choice between a basic income and a capital grant from the perspective of automation. Automation, Brouwer points out, can lead to technological unemployment if machines carry out similar work at much lower costs than humans. He defends two main claims. First, he argues that a universal and a conditional basic income do not provide a good solution to the problem of technological unemployment. Second, he defends the claim that technological unemployment strengthens the case for a capital grant, supplemented with a generous system of contribution benefits, which is to replace the unemployment benefit scheme.

Many of the chapters in the edited volume discuss the wealth-power nexus by focusing on a single country, and most contributors focus on the United States, the United Kingdom, and Europe. In Chapter 16, Anahí Wiedenbrüg and Patricio López Cantero take a different perspective. They focus on the power that private creditors have when dealing with low- and middle-income countries as sovereign debtors. Wiedenbrüg and López Cantero argue that private creditors hold relational and structural power over low- and middle-income countries and describe how this power is exercised in problematic ways at the time of lending, restructuring and pushing for, or inhibiting, reforms to the international financial architecture. The chapter ends by defending the claim that a quasi-legal, soft-law approach is the best way to address harmful power asymmetries between creditors and debtors. The authors briefly discuss a list of desiderata for the establishment of such multilateral, soft-law regime.

4 Conclusion

This volume brings together a wide range of topics that are all aspects of the wealth-power nexus. We hope that the volume will stimulate debate on these matters in political theory and adjacent fields. Although the volume does cover a wide range of topics, it is also limited in one important respect. As mentioned at various places in this introduction, the social science literature on wealth and democracy is overwhelmingly based on research in Western countries, particularly the United States, and our political philosophy tradition (from ancient debates on oligarchy to modern ones on property-owning democracy) is Western as well. At the same time, the question about wealth and its relation to power and political influence is universal. Anthropologists have worked to draw on both Western and non-Western societies to gain more generalised lessons about hierarchy and egalitarianism, but such anthropological work remains disconnected from the political economy themes of this volume (Boehm 2001; Anderson 2017). Most of the chapters in this volume assume a background of advanced capitalism and established democracy, and some adjustments will need to be made to apply these analyses to developing economies and less established democracies. The contributors to this volume were mainly based in the United States, the Netherlands, and the United Kingdom, with others based in Argentina, Canada, and France. While we hope that our insights can be valuable for thinking about capitalism and democracy in general, we wish to acknowledge our geographical biases and limitations.

Notes

1 In 2015, the American Coalition for Tax Fairness estimated that Walmart receives $6.2 billion worth of subsidies each year (Americans for Tax Fairness 2015).
2 Blanchet, Saez, and Zucman recently launched a website called ‘realtime inequality,’ which tracks income and wealth inequality in the United States every quarter. They have data available from January 1979 onward.
3 Such strategies are basically equivalent to Taylor’s idea of ‘market-anti-power’ (Taylor 2013).
4 Libertarians may object that redistribution fundamentally violates the ideal of the market (and of freedom from power). We take no stance on this question here.

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