
Democracy and Work

My wife and I were back in the U.K. in October 2013. We were in rural Northumberland, lots of trees and sheep, hilly, calm, peaceful, and lovely. For the first time we visited Cragside, a property now owned by the national trust, which we knew nothing about before our visit. It turns out that it was given to the U.K. in the 1970s by the Armstrong family to offset large tax bills. It is beautiful, over 1,000 acres of woods and lakes, with a mansion in the center that was built and developed in the mid- to late- 1800s. Think of remote parts of Northern California close to the Oregon border for a comparison. Idyllic.

Now picture a second scene. This of a young girl in the early 1900s walking along an industrial road, around midnight, it's dark and cold, she is taking sandwiches to her father who is toiling in a factory making armaments on Scotswood Road in Newcastle. Smelly, noisy, dangerous work. And not a particularly safe road to walk along. Think of depressed parts of Oakland or Chicago. Far from idyllic. The girl walking along that road was my wife's mother taking food to her father in the factory. That factory, like the mansion and the estate, was owned by the Armstrong family. While the Armstrong's were benefactors to Northumberland, they made most of their money from the manufacture and sale of armaments, for example selling to both sides in the American civil war.

Here is inequality on a personal level affecting people's lives in a profound way. But isn't this just something from a distant land and a distant time? It is not. In the U.S. by 1929 inequality reached a new level of excess contributing in part to the great depression of that year. With later progressive policies spearheaded by Franklin Roosevelt's administration, from the mid-1930s we began a time of unprecedented prosperity that accelerated after the second world war. By the late 1960s inequality fell to its lowest level in the United States. However, since the early 1980s this has reversed with policies begun then that have, over the last 30 years, brought us to a point again today where inequality has regressed to where it was in the late 1920s. Not surprisingly, as we see from modeling the reduction in discretionary spending due to inequality in *Business Behaving Well*, we again encountered economic upheaval due to this more recent increase in inequality.

Some might suggest that charity is the answer, allowing crumbs to fall off the tables of the wealthy for everyone else. But there are voices of reason, here's Peter Buffett, Warren Buffett's son, in a July 26, 2013 New York Times' piece "Because of who my father is, I've been able to occupy some seats I never expected to sit in. Inside any important philanthropy meeting, you witness heads of state meeting with investment managers and corporate leaders. All are searching for answers with their right hand to problems that others in the room have created with their left...As more lives and communities are destroyed by the system that creates vast amounts of wealth for the few, the more heroic it sounds to "give back." It's what I would call "conscience laundering" — feeling better about accumulating more than any one person could possibly need to live on by sprinkling a little around as an act of charity...But this just keeps the existing structure of inequality in place. The rich sleep better at night, while others get just enough to keep the pot from boiling over. Nearly every time someone feels better by doing good, on the other side of the world (or street), someone else is further locked into a system that will not allow the true flourishing of his or her nature or the opportunity to live a joyful and

fulfilled life... Money should be spent trying out concepts that shatter current structures and systems that have turned much of the world into one vast market. Is progress really Wi-Fi on every street corner? No. It's when no 13-year-old girl on the planet gets sold for sex. But as long as most folks are patting themselves on the back for charitable acts, we've got a perpetual poverty machine. It's an old story; we really need a new one."

We can think of various responses to redress the awful inequities that exist for example in income, wealth, education, health care, even in life expectancy in our country. One is recourse to our political system, and indeed this is an avenue we must pursue. However, a paper, "Democracy and the Policy Preferences of Wealthy Americans," by Benjamin Page, Larry Bartels, and Jason Seawright in the March 2013 issue of *Perspectives on Politics* is sobering. This describes a study of the political views of the wealthiest 1% and 0.1% of the population based on a sample in the Chicago area. The authors confirm that the wealthiest participate disproportionately in politics and that their views diverge significantly from the general population – the wealthy are much less supportive of social programs such as social security and effective universal health care or providing broad educational opportunities, and they are less supportive of economic regulation that might have averted the recent economic collapse. The authors conclude that "if policy makers do weigh citizens' policy preferences differently based on their income or wealth, the result will not only significantly violate democratic ideals of political equality, but will also affect the substantive contours of American public policy." So relying only on the existing political structure is naïve as this structure primarily protects the vested interests of a small, wealthy group. We can see it in the shrill voices from the extreme right. The need for a movement to re-establish the fundamental basis for our democracy is clear and hopefully such a movement will emerge. In its absence where else can we look?

One direction is to the business community. This too is a path we must pursue as highlighted in *Business Behaving Well*. However, voices such as the U.S. Chamber of Commerce that seem to parrot the demands of wealthy and powerful handlers underline the challenge. Indeed large organizations are not democracies; rather they are oligarchies of entrenched power that now serve primarily the interests of senior management. So this route too presents major challenges.

Another route, over which we can exert significant influence, is that of creating our own work/life direction. This is our own career path, not defined by others in organizations, but personally defined to match our values, interests, skills and preferences. Defined to provide a fulfilling and meaningful direction that is not subject to the whims of a corporate oligarchy. It is in crafting such a path that we can begin to recreate the basis for a true democracy of the people, by the people and for the people. It is such a path that we will explore in future newsletters and in our forthcoming book.