

PIBCI - Monthly Perspective

May 2021

Oligarchs and Us

Despite Australia being amongst the wealthiest of nations, we continue to witness the growing gap between the haves and the have-nots. COVID-19 has placed additional financial pressures on many Australians, yet our home-grown super-rich have passed through the last 12 months relatively unscathed, and in some cases their personal wealth has further increased. Australia's super-rich or more correctly 'oligarchs' have increased their wealth in a system that continues to serve the 1%. The term oligarch may seem foreign to Australian ears as the mainstream media tends to apply this term exclusively to super-rich Russians who wield their wealth buying European soccer teams or Chinese billionaires running software companies. The fact is that oligarchs are everywhere, and their obscene levels of wealth translates into political power which impacts all of us.

The nature of oligarchy

In summary, the term oligarchies refers to a small number of wealthy people (oligarchs) who use their wealth to exercise power. These oligarchs are able to exercise their power whilst they rely on an obedient public that is willing to comply and conform.

Across many nations, oligarchs have masterfully captured the reigns of power. In some cases, their methods have been crude and direct. In other countries, oligarchs have discreetly used their wealth through political donations, the corporate media (which they own), lobbyists, and other surreptitious avenues to influence policy makers and sway a docile public. As oligarchs in western nations (including our own) pull the levers of power, they have been able to further consolidate and leverage their wealth and influence in Australian society.

Neo-liberalism: the perfect cover

Over the four decades that have passed, the bountiful fruits of the neo-liberal harvest are on display. However, the promises of 'all boats rising', the 'minimisation of bureaucracy', and stronger and better economy have not been amongst the harvest. In fact, some of the rising boats were luxury yachts casting adrift from the shores of cities as their billionaire owners were keen to announce that they were going into 'self-isolation' as they avoided the spread

of COVID-19 amongst the 99%. Under the blanket of neo-liberalism, it has been the oligarchs who have reaped the harvest that has boosted their personal wealth and further entrenched their influence on the political system. The decades of neo-liberalism have simply benefitted the 1%; all at the expense of the 99%.

At its most basic level, the neo-liberal ideology supports the free market, big business, the lowering of taxes and the minimisation of regulation. This ideology has provided the perfect economic and political ecosystem for oligarchs to flourish. Deregulation has translated into weakening workers' protections such as safety and wages. Lowering taxes comes at the expense of our schools, health system, public housing and infrastructure. A free market is code for privatising public services and selling off public assets (the commons).

Neo-liberalism's deification of hyper-individualism, the 'winner take all' mantra and the 'survival of the fittest' way of life fits in well for the 1% who sit on top of a pile of wealth and power. The 'dog-eat-dog' approach places people against people which may provide casual entertainment for those oligarchs looking down from the lofty heights of their corporate suites. However, this hyper-individualistic attitude comes at the expense of the rest of society as it is corrosive of social cooperation and community building.

After four decades of the neo-liberal experiment, we have witnessed obscene levels of wealth amongst the 1% and rising inequality across the world including Australia, a nation that is rich in resources and human capital. Sharing the wealth of our nation simply does not fit the neo-liberal cookie cutter. However, how long can we afford the luxury of supporting a self-serving oligarchy?

Put into perspective, the past 12 months (despite the economic pressures of the global pandemic) has not put a dent in Australia's oligarch's capacity to amass wealth. Australia's richest person, Gina Rinehart increased her wealth by approximately \$16.25 billion taking her net worth to \$36.38 billion. This has been done by digging up iron ore from the country's earth and selling it to China. Her other big business has seen her rise to the third-largest cattle producer in the country. Behind Gina Rinehart is Andrew Forrest, Chairman of the Fortescue Metals Group. At last count, his estimated wealth rested at a staggering \$29.61 billion, as his company's valuation more than doubled in the same period.

The co-founders of Unicorn software, Mike Cannon-Brookes and Scott Farquhar follow in third and fourth position with 21.99 billion and 21.95 billion. In fifth position is Anthony Pratt and family valued at \$21.27 billion, which is an estimated increase of \$16.95 billion on 2020 figures.

The reality is that the above mentioned five individuals is the tip of Australia's super-rich iceberg. The rest of the super-rich continue to accumulate wealth during the most difficult period our nation has experienced since the Second World War.

Oligarchy is socially corrosive

The domination of neo-liberalism for over four decades has enabled the 1% to increase their wealth and influence at the expense of the 99%. Oligarchs across the world have amassed wealth year after year in the face of rising inequality. Furthermore, their wealth continues to accumulate which means it is not being poured back into the global economy: hoarding wealth is not a good thing as its effects are hazardous and long-reaching.

The precarious nature of national and global economies, boom bust cycles, the casualised workforce, mass surveillance, incessant propaganda from the billionaire-owned media, and perpetual conflict are some notable 'products' of forty years of neo-liberal rule. Behind this dismal scorecard are the oligarchs who have promoted self-interest and greed. The upshot is that democracy is being hollowed out along with the very institutions that have been designed to protect the public.

The neo-liberal ideology supported by global oligarchs such as Rupert Murdoch operate propaganda mills disseminating a skewed version of reality. His global media network amongst other corporate media outlets have questioned the legitimacy of various public institutions, smothered alternative politics, ignored alternative economics, air-brushed independent media out of the media equation and blocked, beaten or bludgeoned anything that runs in the face of their failing ideology. The neo-liberal approach sees the public as simple-minded customers; little cogs in a transactional wheel where a purchase of goods or a service keeps the system moving, spinning, and turning larger and larger profits for the biggest corporations and the richest of the rich. Oligarchs marshal a wide variety of levers to ensure their economic and political ecosystem remains well-nourished and entrenched in our society. This is done through the constant stream of political donations, the financing of lobbyists, their media outlets, sponsoring think tanks and so-called research. They employ

tactics to question and erode the legitimacy of alternative views and institutions that are not based on a market system, they very system that connects an umbilical cord from the public purse into their large corporations. As a consequence, the legitimacy of Trade Unions, public policy and regulations designed to support workers' rights, employee safety, public health, and constraints on damaging and polluting the environment are regularly undermined or watered down so large corporations can maximise profits regardless of the social and environmental cost.

In essence, the neo-liberal ideology and the oligarchs supporting and benefitting from the system are in direct conflict with democracy. Their interests and their wealth works counter to the public's interests.

At a glance, the neo-liberal scorecard is filled with an inadequate education system, a comprehensive failure to protect the environment, failure to house our most vulnerable members of society and rising inequality.

Why is it so?

The scope and range of the machinery that keeps the decaying system in place is immense. The relentless messaging from the corporate media trains the public to set aside their responsibility as citizens and adopt the one-dimensional role of customers.

The daily diet of consumerism is designed to make the public politically feeble. All this is happening in the midst of some of the biggest and most challenging issues including the unfolding climate disaster.

The corporate media trains the public to be compliant, conforming customers. As a consequence, the public have willingly traded away personal privacy, civil liberties and other freedoms for comfort, material goods and so-called security. Political activism is fast being replaced with the consumption of luxury goods and binge watching the latest TV series. Our democracy is transforming into a duopoly run by a political class. The two major parties offer the same stale fare: neo-liberalism with or without salt.

Dare to question, dare to imagine

The failure of the major political parties to offer a vision of a sustainable progressive future boils down to the lack of imagination. The political class do not have the imagination to create a fairer society. Nor do they have the will to raise questions such as "can we afford the luxury of supporting the super-rich." The political duopoly lack the imagination of an alternative economic system that is not based on a market system hell-bent on an endless cycle of growth that comes at the expense of our planet and future generations.

The rolling disaster of neo-liberalism remains the bedrock upon which the major parties build their economic and political policies. The fact remains that neo-liberalism is not a natural system. The so-called free market has not been with us for long, and people are not mere cogs to be trained to make transactions and consume. We can do better because we must do better for ourselves and for the following generations.

Its our responsibility

For the past forty years, the state has gradually given up on its responsibility to govern. Successive governments, both state and federal have outsourced their responsibilities. Through a programme of privatisation and cutting back regulations, government has handed the keys to corporations. This neo-liberal approach hollows out our democratic system and exposes the public to those who wield great wealth and power – the oligarchs who operate in the shadows of their large corporations.

In order to turn the tide, the public needs to act like citizens and demand accountability from the political-class and fellow citizens. Building communities and strengthening society through cooperation needs to replace the neo-liberal mantra of competition and consumption. As active citizens, the public needs to reengage in social and political participation at the local, state and federal levels in order to reverse the culture of commodification. Both individually and collectively, we need to call out the tactics used by the corporate media that is based on sensationalisation and spectacle. We need to reinstate or civic freedoms and demand political accountability, rather than slide into a world of consumer comfort and apparent security. The corporate media offers a sand-box view of the world, designed to shape public opinion by pumping out propaganda on behalf of its owners – the oligarchs. It is time to seek alternatives that actively work to put public interests ahead of corporate interests.

By joining PIBCI, you are supporting an alternative approach that calls for the end to the duopoly that poses as political parties. By building awareness of PIBCI amongst your friends, family and work colleagues, you are helping to get the message out that there is a viable alternative to the political duopoly that is willing to tackle the dominance of the corporations.

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