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A book review



**The New Power Elite:
Inequality, Politics and Greed
(2018)**

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For social stability, economic progress and phases of economic instability that punctuate the progress, social classes and coalition formed between the classes are important; however, these social classes lack cohesion and agency that keep them together. Therefore, elites are the instrumental for creating and maintaining the coalition between classes. In every country, landowners and peasants are the main factors in economic activities but when sizeable middle class emerges, it pushes economic development to industrialization and creates the stable political arrangements.

Upper and lower elements in expanding middle class invites its own destruction by sharing and associating with classes above and below them. While expanding middle class means shrinking working class, this too create division. Further, protection from employers and professionals to particular class lose antagonism towards them as compared to those who do not find any protection from employers and professionals. Those who do not find protection lack loyalty towards their employers and find ways or open to make alliance with elites that can battle the boss from above. Promotion of globalization and technological innovation by elite-driven polices can further make the division worse between classes, as globalization and technological innovation re-expand the working class especially for protected “insiders” than unprotected “outsiders”. With advancing industrialization, for renegade elite fractions seven discernible classes widened the available options to form coalitions as compared to a simple worker/owner division. These simultaneous divisions between classes enable powerful elites to control, rule and prolong their own ascendancy.

Looking at the scenario discussed above, the general public perception has flipped towards elites due to rising expectations of what elite rules should deliver and this reaction against elites raised the questions of their competencies and their perception towards corruption. Differences in living style between elites and other social classes lead to evolve the perception of unrepresentativeness from the source of prestige. A charge sheet emerges, which at first suggests an existential challenge to elites’ long rule.

Why, previously, rising elites' power/wealth does not cause instability	Why, now, rising elites' power/wealth cause instability
Widening inequalities between income and wealth between elites and other social classes were based on merit and elites had arguments to defend their achievements, for example, personal achievements or public service.	Now, the widening inequalities are due to disproportionate reward system, theft from others or by luck and elites does not have arguments to defend their achievements.
Elites exploited the opportunities that were available but were not available to classes below them and this led them to gain power and wealth.	Now, elites capture economic rewards and political rewards that rightly does not belong to them; so, power and wealth accumulated by today's elites are at the expense of classes below them.
Power and status attained without having high income or wealth; money did not guarantee power and status. These factors, power, status, and wealth followed different distributions.	Inextricably, power, money and status triangulate now, if an elite that captures a greater share can command over others.
Classes below elites were benefited with rising power and wealth of elites that trickle-down effect helps lower classes to raise their income and wealth or incentives associated with providing better government were also associated with rising power of elites.	Now, rising power and wealth is being associated with more corruption and inefficient elites that are less likely to work for societal benefits to uplift lower class.

“Power elites consist of individuals who are in positions to make decisions having major consequences” and “given the enlargement and the centralization of the means of power now the decisions that they make and fail to make carry more consequences for more people than has ever been the case in the history of mankind”.

Wright Mills (1956: 4 and 28)

Networks are the primary source of power for elites that enable them to form higher circles. Earlier, higher circles triangulate business, political and military chiefs with an addition of expending non-profit sector today. Furthermore, there is an immense need to bifurcate personal and position-based sources of power and networks; however, popular and academic analyst of elites need to see strength and length of connections as the determinants of elite's strength. Power circulation or elite's circulation plays a vital role in keeping elites relevant at different times and keep them alive. While elites continuously watch class coalitions below them, as per the new identification, elites are organizing these class coalitions, so the dynamic societies stabilize. This identification assigns roles to elites and classes in the constructions and reconfigurations of such coalitions, elites viewed as active, whereas classes viewed as passive role player in this game. Rules of power and politics has also been changed now, once political 'right' believed an elite to override and hold the battle between classes now believes and recognizes the co-existence of elites and classes. Whereas, political 'left' once believed in class struggle now acknowledges the need of elite's cooperation and coordination. This crossover, nevertheless, plays essential role in provoking and resolving divisions within elites.

These class coalitions formed and supported by some elite fractions, against other elite fraction-supported class coalitions, provide their support back to the elite fraction in question. This book provides some empirical studies of class coalitions that support elite rule and characterize its shifting divisions in this modern society. Furthermore, empirical studies provide evidence that these class coalitions formed by elite fractions undermine economic progress, and elite fractions use disaffected classes against other elite fractions in arguments. Role of middle class given a particular attention in past as well as at present and this middle class plays an important role, sometime combative and sometimes cooperative, compared to the other classes above and below them. Moreover, in intra-elite battles, the role of middle and working class was examined with examples in historical and modern time. Elites exploit the role of middle class in order to restore their mandate when these classes demand wider change than the elites are willing to concede.

This book further shed light on historical perspective and link between power elites and wealth elites. Elite theorist assumed convergence of these power and wealth elites in the nineteenth century, later in the twentieth century convergence confronts institutional separation and again in the twenty-first century power and wealth elites re-converge on political grounds. In the twenty-

first century, re-convergence of power and wealth elites enable them to influence not only national political and economic decisions, but their decisions are closely aligned with internationalized business elites. Thus, political interventions do not inherit explicit pro-business policies but rather due motives, one is preservation of personal fortunes and the other for commercial interest.

All the arguments discussed in preceding section, social and political, and recent rising economic inequality are the set of evidence that elites exploit the economic growth for their good fortunes, and it highlights the power concentration contained by already well-off elites. It shows how elite policies regarding globalization and technical change has led to increase in inequality and keep income away from redistribution. Empirical evidence from the United States and Europe explores the changing conditions of class coalitions and sheds light on enlarging upper-middle class and squeezed lower-middle class. Furthermore, democracy and the minimal role of democracy, to contain elite rule or challenge income and wealth concentration that goes parallel to elite rule has been discussed in this book. Apparently, elite rule, income and wealth concentration extended across the industrialized countries at first, and now that trend is in its full swing in the newly industrialized countries.

In the end, detailed analysis of two completing features of today's elites by reconciling it as Philanthro-capitalism. Under philanthrocapitalism "wealth and power are meritocratically attained and altruistically deployed, and a rampant greed that a desire to give back to society and solve its most urgent problems is genuine and widespread in contemporary 'higher circles', but insufficient to defuse the public's anti-elite anger due to suspicion of ulterior motives".

Particularly, corporate philanthropy focuses on those problems that government are unable to solve due to the hurdles placed by private interest on public realm. Additionally, to sustain ongoing ascendancy and rule in future, powerful elites use philanthropy as a tool along with modern tools like social media, mainstream media, and celebrities to ensure their resilience against contemporary attacks.