Orwell and the Oligarchs
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FERDINAND MOUNT

When *Animal Farm* came out in 1945, my parents had an early copy. A year or so later, after I had learned to read, I picked it up, imagining from the title that it must be a book for children, although the green and grey cover and the lack of illustrations were not obviously alluring. I read the book through almost without stopping, at first enthralled by the heroism of the animals in breaking free of Mr Jones, then disgusted by the treachery of Snowball and Napoleon. I was surprised and a bit annoyed when my father told me that *Animal Farm* had a whole other meaning which I was too young to understand. Regardless of this, my Aunt Violet, who was a great friend of Orwell’s, reported to him how much I had enjoyed the book, especially because ‘there were no difficult words in it’. Orwell was delighted to hear that he had written so simply and clearly that a child of seven could love the book.

Tenuous though it is, I remain extremely proud of this link. I am proud of it in particular because the connection is a linguistic one. In a tiny way, I was living proof that Orwell had fulfilled his own injunction that prose should be like a window pane. It is this unremitting attention to language which is his living legacy to us. Many another writer on politics has deconstructed the language of his opponents and pointed out the gap between their rhetoric and their real underlying motives. Burke and Marx and Nietzsche and the rest of them tore off the masks of their enemies with gusto and venom. But they did not care to look into the mirror. Only Orwell insistently invites us to examine the hypocrisies of his own side, our own side, to chart the gap between what we say and why we are really saying it.

It is remarkable, after all, how the great bulk of his essays and reviews are directed not against his enemies on the right but against the people he worked with and the parties of the left to which he had belonged and still did belong: the Communist party in Spain and elsewhere, socialists in general and the British Labour party in particular, and intellectuals of every sort. That his firepower should be so preponderantly aimed in this direction has led many people to deduce, either hopefully or derisively, that underneath he was really a sort of Tory. This seems to me a false deduction. Orwell adhered, as firmly as any unquestioning loyalist, to the Labour values of liberty and equality; he remained convinced that nationalisation was both desirable and inevitable.

But he also believed that his own side, however largely construed, was getting away with murder, often literally, and ought to be held rigorously to account. And this is precisely why his memory is still green; that is why he remains revered, long after the immediate provocations of his two great dystopian fables have, mercifully, slid over the horizon of history, at least for the time being.

George Orwell revives for our own time and in our own language the old
Greek tradition of self-examination and self-criticism; he trains us to stay alert to the potential or actual misuse of language by politicians, journalists and academics; he reminds us that we ourselves may be guilty either of witling humbug or of unwitting self-deception. So we dare not treat his work as a monument, a completed thing to be inspected and admired. We have inherited an ongoing project, work still very much in progress. For the dictionary of Newspeak needs constant updating. The Ministry of Truth is always hiring new spin doctors.

So what is the self-critique that would be animating Orwell if he were with us today? In what ways would he say we were deceiving ourselves—and others—about our current politics? These are alluring questions, but they are also dangerous ones. In trying to identify what Orwell would have said if he were alive today, we are of course running precisely the sort of risks he warned us about: of telling it like we want it to be rather than how it really is. My excuse here is that Orwell himself has pointed out the general direction in which we should be ferreting and fossicking. I would like to draw your attention in particular to his long essays on James Burnham, the highly influential American writer who began as a Trotskyite in the 1930s and finished as a sort of early neo-conservative in the 1960s.

Burnham became famous for a book he published in 1941 entitled *The Managerial Revolution*. The book was subtitled ‘What is Happening in the World’, and argued that over a relatively short period, which Burnham dated from the First World War, a new society had emerged and a new social group—the managers—was now engaged on a drive for social dominance, intending to exercise all the power and prestige that belonged to any ruling class.

Burnham’s book drew much of its force from a rather more solid and magisterial work—indeed a classic of its kind—entitled *The Modern Corporation and Private Property* by Adolf Berle and Gardiner Means, which had come out ten years earlier in the depths of the Great Depression. The essential insight of Berle and Means was that thousands of shareholders scattered all over the world could have little influence over the management of the business of which they were the legal owners. They had exchanged the reality of control for the delights of being able to buy and sell their shares without a backward glance. They were detached from the business and unaccountable for what happened to it. By contrast, Berle and Means famously pointed out: ‘[T]he owner of a horse is responsible. If the horse lives, he must feed it. If the horse dies, he must bury it. No such responsibility attaches to a stock or share.’ The modern shareholder had become a functionless rentier, the sort of fellow who, in Stanley Baldwin’s trenchant phrase, feels he has done a good day’s work after flicking his cigar ash over his roses to keep off the greenfly. The true responsibility for the company now belonged to the board of directors and its agents. They, said Berle and Means, were the new ‘Princes of Industry’—anticipating by some decades Tom Wolfe’s ‘Masters of the Universe’. This was what Burnham called ‘the Managerial Revolution’.

George Orwell became fascinated by Burnham’s book. He half-agreed with its analysis, and you can find echoes of Burnham’s reading of the world in *Nineteen-Eighty-Four*. But Orwell also saw that *The Managerial Revolution* is ruinously flawed. Burnham had only recently escaped from his years of Trotskyite agitation, which had culminated in fierce exchanges with Trotsky himself, who was fuming in exile down in Mexico. Though he had abandoned not only Trotsky but also Marx and Marxism, Burnham could not shake himself free from their basic conviction that capitalism was doomed. It was clear, he still thought, that ‘the capitalist organization...
of society has entered its final years; ‘it will disappear in a couple of decades at most and perhaps in a couple of years’. This was largely because ‘[e]xperience has already shown that there is not the slightest prospect of ridding capitalism of mass unemployment’. Accordingly, the state would take over. The social dominance of the all-conquering managers would be based upon state ownership of major instruments of production. There would be no more capitalists. Like Keynes a few years earlier, Burnham foresaw ‘the euthanasia of the rentier’. No individual would be able to make money by investing private capital in economic enterprise. Capitalism as we had known it would be ‘smashed’—a verb to which Burnham, like his Marxist mentors, was addicted.

I cannot resist adding, in parentheses, that when I was working in New York in the late 1960s, I had an office next door to Jim Burnham’s. You would never have guessed that this dry, rather benign elderly New Englander had ever conceived that apocalyptic worldview which both intrigued and repelled Orwell so much.

Burnham was hopelessly wrong about the death of private capitalism. But then so was Keynes. And Burnham was wrong about something else, too. His Marxist past had trained him to concentrate his attention upon manufacturing industry, especially the then basic heavy industries: coal, steel, automobiles and railways. It was the managers of these industries and other such industries yet unborn who were to become the demigods of the new age. What he called ‘finance-executives’ or indeed the executives of the service industries generally scarcely got a look-in. Their activities seemed to him parasitic on the scientists, engineers and assembly-line managers who actually produced the goods. Thus he defined his ‘managerial class’ too narrowly and located it in the wrong place. He failed to foresee that in the new dispensation it was those finance executives—board directors, chief executive officers and their bankers—who would collar the biggest share of the spoils, while the engineers and scientists who worked for them often continued to receive relatively modest salaries. This misunderstanding was rather influential because it blinded Burnham to the real whereabouts of power.

Orwell also criticises, quite rightly, the showy, melodramatic tone of Burnham’s thought: ‘Everything must happen suddenly and completely, and the choice must be all or nothing, glory or bust’. But he does agree that, ‘as an interpretation of what is happening’, Burnham’s thesis that the managers have taken over is ‘extremely plausible’. This is how Orwell himself, writing in 1946, sees the shape of things:

For quite fifty years past the general drift has almost certainly been towards oligarchy. The ever-increasing concentration of industrial and financial power; the diminishing importance of the individual capitalist or shareholder, and the growth of the new ‘managerial’ class of scientists, technicians and bureaucrats; the increasing helplessness of small countries against big ones; the decay of representative institutions . . . all these things seem to point in the same direction.

The force of this analysis and the relevance of this indictment have only strengthened over the intervening years. After all the dismaying and shocking events of the last decade, after the collapse of trust in politicians and the collapse of the banks and building societies, Orwell’s remarks seem to me to indicate the essential outline of what has gone wrong. Unconstrained and self-perpetuating oligarchies have managed to bend the rules and manipulate the practices of the public and private institutions which they rule, and to scoop a hugely disproportionate share of the rewards for themselves. As a result, the official language and practice of democracy have come to seem hollow and meaningless to the rest of us. It is not

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going too far to say that Britain has been living under false pretences. While pretending to ourselves that we have been widening and deepening the democratic traditions we inherited, we have in reality been drifting into something of an oligarchy.

We took it for granted that, in the ‘century of the common man’, as the years went by the management of affairs would be more widely spread. More and more individuals and groups who had previously exercised little control over their lives would now have a bigger say. It has not turned out that way. In all sorts of spheres of life, whatever the hand-out and the theory say, in practice effective power has been concentrated in fewer and fewer hands. Nobody consciously ordered this turn of events. You cannot imagine any group of politicians saying publicly ‘our aim is to make sure that the few rather than the many are in charge’. And where this concentration of power has happened, it has happened regardless of whether Labour or the Tories were in government. This country which used to pride itself on its easy, almost unconscious spreading of power has become one of the most centralised in Europe.

It has been a slow, remorseless process, so slow in fact that, paradoxically, the terms ‘oligarch’ and ‘oligarchy’ went out of common speech while it was going on. Such terms we reserved for regimes of the distant past like that of the English Whigs of the eighteenth century or the doges of Venice. Oligarchs belonged in the philosophy of Plato and Aristotle, the history of Herodotus and Thucydides, not in our own political debates. Then surprisingly but significantly, the term ‘oligarch’ was revived, not with reference to our own affairs but to describe what was going on in a totally different context: the break-up of the Soviet Union and the selling off by the state, on extremely favourable terms, of the country’s huge reserves of oil and gas and minerals to a handful of nimble freebooters. These new ‘oligarchs’ speedily amassed wealth on a scale not even seen under the Czars. They fanned out around the world, buying football clubs, palaces and works of art with an abandon that seemed reckless to the rest of us but which scarcely dented their colossal fortunes. They have prospered in a very modern type of oligarchy, in which free speech and the machinery of democracy are tolerated but only in so far as they do not menace the power of the ruling group and the wealth of the oligarchs.

This type of oligarchy was born out of the political chaos that followed the breakdown of a regime which had regarded itself—and was regarded by the rest of the world—as all-powerful. Its power seemed so pervasive that a special adjective had been minted to describe such modern regimes: totalitarian. These totalitarian regimes were expected to last for anything up to a thousand years, and so it came as a shock to their supporters and opponents alike when they dissolved overnight, and the agile New Men leapt into the empty space left behind.

Our own British oligarchy is not like that at all. On the contrary, it has arisen because our society seems to us so congested. Only by concentrating and streamlining power, it seemed, could we hope for the system to work as we would like it to. What was needed was simplification, and part of that simplification consisted in establishing defined lines of control and therefore clear and unquestioned leadership. In the old days, before the Second World War and even for a few years in the postwar period, power in Britain was quite widely dispersed. In most concerns, both public and private, more people had the final say on how this or that matter was to be resolved. Supervision or control from Head Office or from Whitehall was sketchy and intermittent, and sometimes remarkable by its absence. In local government, for example, there was scarcely a head office

\[ \text{Ferdinand Mount} \]
Local authorities had untrammeled power to set the level of their own taxes—the business and domestic rates—and while their powers were defined and limited by Acts of Parliament, within those limits how they exercised their powers was up to them.

Not anymore. Since the Second World War that kind of day-to-day freedom has been whittled away by an ever intensifying network of financial controls and regulations. This is equally true of public institutions such as hospitals, schools, universities and police forces as it is of private commercial organisations such as banks, bookshops, insurance companies, broadcasting and building societies. To the managers at the centre, these thickening networks of control appeared increasingly normal, in fact indispensable if they were to manage properly. The haphazard scatter of branches and members had to be transformed into a single body which could live and breathe only if it operated on consistent and thoroughly enforced guidelines. Gigantism led to centralisation, and centralisation led to something else.

As they gather unto themselves more and more extensive functions of leadership, our own dear oligarchs come to think of themselves as a single organ set apart from and responsible for the rest of the body. They become Management. These ‘corporates’ as they are happy to call themselves develop, quite naturally, their own shared interests and strategies. They become a self-conscious class in the old Marxist sense, one which learns to look out for itself and whose members, while engaging in strenuous competition for the top slots, also look out for each other. Long ago, sociologists like Pareto and Mosca realised that one distinguishing feature of such elites is that they circulate, they revolve. Years later, Anthony Sampson popularised the same insight in his *Anatomy of Britain*. Once admitted to membership of the elite, these characters crop up again and again at the head of every type of organisation, public and private.

In these circumstances, it is not surprising that the interlocking elites in the boardroom should contrive to fix each other’s remuneration at magnificent levels, regardless of the performance of the firm in question. For as J. K. Galbraith puckishly pointed out: ‘The salary of the chief executive of the large corporation is not a market reward for achievement. It is frequently in the nature of a warm personal gesture by the individual to himself.’

We have seen in the past few years staggering pay-offs and pension pots awarded to chief executive officers who between them have made some of the most catastrophic decisions in the history of capitalism—not just to Sir Fred Goodwin, but to Eric Daniels who brought the perfectly solvent Lloyd’s Bank to its knees by buying HBOS at Gordon Brown’s invitation; and to Sir John Bond, the much respected chief of HSBC, who paid £9 billion for the American sub-prime mortgage firm of Household, which turned out to be not only a notorious predatory lender but also worthless. This judgment is not given in hindsight only. The City Editor of the *Daily Telegraph*, among others, wrote at the time: ‘Household is the sort of acquisition that has danger written all over it.’ The collapse of Household was in fact the first brick in the wall to crumble as the sub-prime crisis unleashed its mayhem.

Eventually even the doziest shareholders began to wake up to the fact that some of the self-remunerators were in effect looting the company. Demands that special remuneration committees be set up to monitor these rewards for top executives were given impetus by a series of official reports on the governance of corporations. These remuneration committees were intended to be impartial bodies, composed of non-executive directors who had no personal interest in the

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outcome. This was a naïve hope. For the non-execs were to be nominated by the existing executive directors who, not surprisingly, chose people very much like themselves. An executive director of one firm might well sit alongside one of his non-execs on the board of another firm where their roles were reversed. The members of this mutual admiration society—and mutual remuneration network—could scarcely be expected to take an austere view of their colleagues’ personal needs, and in most cases they did not. Far from exerting downward pressure on the levels of reward, the remuneration committee tends to push up the going rate by aiming for the upper quartile of the prevailing range. In fact, rather than acting as a restraint on these huge jumps in the pay of senior executives, the remuneration committee may actually have helped to legitimise them.

Nor did they purse their lips at the size of the fringe benefits expected by CEOs to sweeten their labours. Pension pots worth millions of pounds became routine. So did clauses stipulating vast pay-offs for loss of office, if the CEO were to depart before his allotted time. This was to compensate for the crippling insecurity of the CEO’s position in the new business world. But of course the generous basic salary and bonuses already offered handsome compensation for any shortness of tenure. On top of that, stock options of heroic proportions were available to the CEO who succeeded in ramping up his company’s share price to the required level, regardless of whether his actions were in the long-term interests of the firm.

These basic rewards were encrusted as richly as Damien Hirst’s diamond-covered skull artwork with glittering perks, many of which could scarcely be described as intrinsically necessary for the workings of the business; memberships of golf and health clubs, debentures for Wimbledon, boxes at Ascot or the Arsenal, school fees, rent-free country houses and so on. When HSBC bought Household, it paid an additional £35 million for the services of Household’s Chief Executive, Bill Aldinger, plus various benefits such as lifelong dental work for Bill and his wife Alberta. This was regarded by some as a bridgework too far, but it was certainly not a unique demand. We do not have to presume that the Aldingers themselves would have insisted on the free dentistry. Increasingly, the frills are dreamed up by third parties, by lawyers drawing up the contract or by the headhunters who found the new recruit. The vast sums paid to these headhunters typically include a substantial percentage of the successful candidate’s salary for the first few years in the job—a further incentive to negotiate the highest salary possible.

All this has happened relatively recently. In retrospect, what is remarkable is how long it took for mere managers to realise that they had the whip hand and could with impunity grab a huge slice of the action. For many decades, the appetites of the managers, in both the public and the private sectors, were constrained by stern institutional and political inhibitions. In a devastating recent article in the New Yorker, Malcolm Gladwell points out that between roughly 1930 and 1960 the rewards enjoyed by top managers in the United States actually fell. In 1935, American lawyers made, on average, four times the country’s per capita income—a modest enough multiple—but by 1958 that figure was down to 2.4. The President of DuPont, Crawford Greenewalt, told Congress in 1958 that he was taking home half what his predecessor had taken home thirty years earlier. Star professional baseball players, like star football players in the United Kingdom, were paid peanuts.

From the 1960s onwards, Player Power in both business and sport took off like a rocket. Today over half the income of a successful merchant bank such as Goldman Sachs or a successful football team

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such as Chelsea may be consumed by the players’ wages. The gap between the top earners and the bottom has yawned to abysmal proportions, the average CEO being paid in millions whereas even the average annual wage barely scrapes past £20,000. The admirable Sir Terry Leahy of Tesco is paid 900 times as much as the average Tesco employee; Sir Martin Sorrell of WPP receives 631 times the wage of his average staff member. As Gladwell puts it, Capital has crumbled in face of a determined collective assault by Talent—even when Talent is producing mediocre or even dismal results.

In the public sector, too, the rewards earned by management in the early post-war decades were kept in check, largely by those harassed and underrated defenders of the public interest, the Ministers of the Crown. Ministers directly controlled the pay of the chiefs of the Coal Board and the railways and dozens of other public or publicly owned bodies; and while the salary scales of doctors and dentists, headmasters and senior civil servants and university vice-chancellors were recommended by outside bodies, it was ministers who had the final say and would have to defend their decisions to MPs and to the media. If you look back at the diaries and memoirs of the period, you will be struck by how much time and effort Ministers spent in disposing of these ticklish matters in a way that did not affront public opinion.

One of the first consequences of privatisation was to relieve Ministers of these thankless tasks and set managers free to determine their own pay. How aghast we were to see unremarkable managers of public utilities transformed overnight into superstars who needed to be paid three times as much as before. The locus classicus was the case of Cedric Brown of British Gas—something about the name suggested irredeemable plod. The whim-pers of Sid and other shareholders and stakeholders could be safely disregarded. With one bound, the manager was free at last to fulfil the delicious destiny mapped out by Berle and Means half a century earlier. These days even the heads of charities such as housing associations may be paid several hundred thousand pounds a year, to say nothing of university vice-chancellors—but I think I had better move on.

I do not suggest that these developments are unprecedented in human history. You can see the same problems arising in the first years of the first great corporation in modern Europe, the Dutch East Indies Company. When the Company was set up in 1602, it already had 1,143 subscribers in Amsterdam alone. Within five years, nearly a third of the original stock had been transferred to new owners. Soon discontented shareholders were complaining both about their lack of dividends and about their lack of control over the directors and the captains of their faraway trading fleet. The ‘Doleanten’, as these unhappy investors were dubbed, put out pamphlets moaning about ‘the self-serving governance of certain directors’ and the lack of transparency which meant that ‘all remained darkness’ in the accounts. In the end, the Doleanten had their way, and when the Company’s charter was renewed in 1622, Nine Wise Men from among the shareholders were appointed as a supervisory board: to approve company strategy, to sign off its accounts and to nominate new directors—a model for what we now call ‘corporate governance’. What really seems to have mollified the Doleanten, though, was the steady flow of dividends which began as the Dutch navy tightened its hold over the East Indies.

Nor is our own century the first to suffer from self-interested and predatory financial institutions. You may recall that Sir Fred Goodwin in his heyday boasted that the Royal Bank of Scotland would come to be feared as ‘the greatest predator of all’. Little now remains of Fred the Shred, his only monument his giant

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pension pot and his only epitaph his signature on a few old Royal Bank of Scotland notes which are still in circulation. But look again at that earth-brown tenner. Next to Fred’s signature as Group Chief Executive—a signature which is as careless and headlong as everything else about him—there is a fine engraving of a shrewd-looking gentleman in a full-bottomed wig. This is Archibald Campbell, Lord Ilay, the first chairman of the Royal Bank. Ilay was the crony of that brilliant and mercurial man, John Law, who brought the Banque Royale in Paris to its knees as a result of the Mississippi Bubble of 1720 by issuing too much paper money. Law and Ilay were great financial innovators, the fathers not only of paper money but of that ingenious device, the overdraft. However, they were also dodgy and unscrupulous characters. Ilay saw it as his mission in life to obliterate RBS’s rival, the somewhat older Bank of Scotland, and secure for himself a monopoly of issuing banknotes. Three centuries later, the Bank of Scotland was nearly obliterated again, and for rather similar reasons.

So the hazards of our form of capitalism and its vulnerability to the distortions of monopoly and to outright looting are not entirely new. But what is new, I think, is its pervasiveness. In the early days of the Dutch East Indies Company or the Royal Bank of Scotland, and in the centuries that followed, the economy was made up of half-a-dozen types of organisation: there were single owners of factories and mines and farms and landed estates, there were partnerships in professional undertakings—lawyers, GPs, publishers, banks, stockbrokers, and so on—there were family firms, there were mutual and cooperative enterprises and many variants of these, both large and small. The joint stock companies were certainly powerful, especially from the mid-nineteenth century onward, when they began to enjoy legally limited liability. But they were not so universal or so dominant then as they are today. In fact, it is only very recently that what is now called the ‘PLC model’ became so ubiquitous, taking over building societies and other mutual financial institutions, remodeling the old partnerships of professional men, and invading public and/or charitable bodies such as schools and hospitals. Many charities have grown enormous trading arms, the managers of which enjoy mega salaries. Look at the extraordinary saga of the Colonial Development Corporation, founded by the Attlee government as a philanthropic enterprise to assist farmers in the poorest countries of the Empire. After being privatised by Tony Blair, it is today a massive private equity fund which seeks out the most profitable investment opportunities across the world, not usually in agriculture at all and usually in the richer rather than the poorer countries of the Commonwealth, and which naturally dishes out large rewards to the top managers who have engineered this transformation.

Meanwhile, the institutions of liberal capitalist democracy continue in their traditional forms: the Houses of Parliament with their Select Committees and periodic elections, the Cabinet with its committees, annual general meetings of companies with shareholders’ votes held on important decisions and on the election of directors, public inquiries and courts of appeal, local authorities with their elections, trusts and boards of governors for public institutions. None of these institutions is wholly defunct. In extremis, any one of them may rouse itself to put a stop to runaway oligarchs, even to dismiss or disgrace them. But in normal circumstances they do not often exercise that continuous scrutiny and control they are allotted in theory. For effective purposes, it is the oligarchs who are in control.

This may seem an extreme statement of the position. And in any case, is it always such a bad thing? Surely representative

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democracy does include and must include a good deal of latitude for the top executives to take decisions promptly and on the basis of their overall knowledge of the situation, rather than leave those decisions to ignorant provincial apparatchiks, on the one hand, or, on the other, to be second-guessed by their theoretical political overlords who do not really understand the situation. Once chosen, the managers must be given space to get on with the job.

Such blithe acceptance has, I think, been severely shaken by the recent crashes. The space that the managers were allowed to enjoy has proved a pernicious temptation. We begin to ask ourselves: why weren’t they stopped in time? Surely the warning signs were there for the supervising bodies to see? Why didn’t the checks and balances come into operation?

Besides, we are not as comfortable with the system generally as we used to be. Our present discontents are, I think, partly due to our vague consciousness that we are in the hands of the oligarchs. When people say they feel frustrated and impotent, and complain that ‘nobody listens’, they are referred to the elaborate machinery of consultation which almost every body, whether public or private, now has ‘put in place’—the oligarch’s phrase meaning ‘there it is, so what are you fussing about?’ Yet we are well aware that these exercises in consultation are often little more than a charade played out to cover decisions which have already been taken far away, out of our reach. Even professionals in the field now readily acknowledge the existence of ‘consultation fatigue’.

This degree of oligarchic control is not a natural extension of capitalism or liberal democracy, but a corrosion of it, one which is neither desirable nor inevitable. By exercising some sustained ingenuity, the trend can be reversed. Capitalism can be recapitalised. Democracy can be revived.

It is worth noting, after all, that over the past half century and more, capitalism has gone through a strange up-and-down experience. Over the first part of the period, it was said to be at death’s door and deserved to be put down like a sick pet. Then it was pronounced to have made a miraculous recovery, and all its actions were greeted with wonder and admiration. Almost overnight, this supposedly discredited system could do no wrong. In reality of course, the workings of the free market are as liable to perversion as any other human activity. Capitalism has been raised from the dead, but it has not been raised incorruptible. It is time that we looked more closely, with an undeceived eye, to see exactly what has gone wrong and how we might start to put it right.

This is not the occasion to attempt a detailed assessment of the first six months of the Coalition government. The immediate task of coping with the deficit is in any case such an enormous one that it would be premature to try to make too much of any underlying tendencies which may be becoming visible. But I think it is fair to use the word ‘liberal’ of the Coalition’s more conspicuous gestures and actions, certainly by contrast to other recent British governments. And I think that this liberalism springs not just from the personal temperaments of the Coalition leaders; I think it comes from what might be called an ‘apprehension of oligarchy’, a feeling that our political and economic affairs have become too centralised. Power has been concentrated in too few hands and has as a result become less and less accountable. To use a rather Orwellian metaphor, the fist of power has become too clenched.

So it is, I think, a rather refreshing experience to look at the Coalition Programme for Government. This is one of the most fascinating documents to be published in British politics in my lifetime, far more interesting than any party

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manifesto because it is not just an exchange of compromises but the outcome of a genuine dialogue over those amazing five days in May, a real hammering out of policies designed to address the situation of the country rather than merely tickle the erogenous zones of both parties.

And the impulses that vibrate through the text are predominantly anti-oligarchic and in favour of the devolved, the plural and the local. In this autumn’s programme, we are already seeing some of those impulses being translated into legislation: for example, to give local councils ‘a general power of competence’ so that they can embark on any scheme they believe will benefit their citizens without the approval or direction of central government. Alongside this, there is a pledge to ‘promote the radical devolution of power and greater financial autonomy to local government and community groups’. There are promises to return decision-making powers on housing and planning to local councils; promises to foster diversity in financial services, to promote mutuals and other social enterprises, and to create a more competitive banking industry; to speed the flow of credit to small businesses, and so on and so on. Within the great monolith of the National Health Service, we are already seeing nests of small-scale independent cooperative enterprises providing nursing services, care for the elderly and so on (to be fair, these are inherited from a late-flowering enthusiasm of the last government’s). Of course, there are snags and catches and omissions. How can you really devolve financial autonomy if you insist on freezing council tax, for example? Will the new codes of conduct really restrain the rapacious appetites of the oligarchs or the bonus hunger of the bankers? Can the blessed sobriety of the old building societies be revived? But over all, this is a programme that sets out to revalue small institutions and local decision making.

I am not claiming that Orwell would have voted for the Coalition; after all, none of us did. But the Coalition does seem to be against a lot of the things that we can be pretty certain Orwell would have been against too: covert surveillance by local councils of people who put their rubbish in the wrong bin, identity cards, inspectors inspecting every aspect of your work, targets and five-year plans, central control of local councils, uniformity and so on. I think the revival of emphasis on the local would have appealed to him. And when I say ‘the local’, I mean that in every sense of the phrase. Orwell’s ideal pub, ‘The Moon Under Water’, is not just a fantasy but a model; although in that lovely essay he does not discuss where the Moon gets its beer from, I am sure that it must be a Free House, another phrase that deserves mul-ling over. I am not going so far as to claim that all these shared impulses will come to practical fruition. What I do say is that what Adlai Stevenson called, in a different context, ‘the liberal hour’ seems to have come round again. And about time, too.

There is, I think, one more quality that we need to disinter from Orwell’s work and resurrect and adopt for our own use. And that is his optimism. He is often wrongly seen as a Jeremiah in a tweed jacket. In fact, what shines through his writing—not least his essays on James Burnham from which I quoted earlier—is his belief that no historical process is inevitable, that even Stalin’s empire, so seemingly omnipotent and invulnerable in 1946, would pass away. Right at the beginning of the Cold War, Orwell told us not to despair: ‘The Russian regime will either democratize itself, or it will perish. The huge, invincible, everlasting slave empire of which Burnham appears to dream will not be established, or, if established, will not endure, because slavery is no longer a stable basis for human society.’ What is true of communism is true of oligarchy, too. We
make our own destiny, and we can unmake it too if we really want to.

Notes

5 Burnham, *The Managerial Revolution*, p. 74.
12 M. Gladwell, ‘Talent grab: why do we pay our stars so much money?’, *New Yorker*, 11 October 2010, p. 84.