"The Divine Right of Capital: Dethroning the Corporate Aristocracy"
by Marjorie Kelly

Reviewed by David W. Gill  www.ethixbiz.com

Marjorie Kelly is the cofounder (1987) and publisher of Minneapolis-based Business Ethics a national publication on corporate social responsibility. The first half of The Divine Right of Capital discusses six basic assumptions of what she calls “economic aristocracy.” The second half counter-proposes six principles of “economic democracy.” Her basic target is “wealth privilege” which means “serving the wealthy few and disregarding the many” (p. xi). Wealth and economic power are increasingly concentrated in the hands of the few. Kelly argues that while we have progressively moved toward a more inclusive political democracy and away from aristocracy based on wealth, race, or sex, we have never dethroned economic aristocracy and achieved true economic democracy.

Although Kelly provides ample statistics and historical evidence in support of her arguments, this is mainly a book about ideas. She is a brilliant, if controversial, expositor of John Locke, Adam Smith, and other grand theorists whose authority is often invoked by defenders of the “corporate aristocracy.” This is Kelly's greatest contribution: getting her readers to rethink their assumptions about property, work, wealth, democracy, government, and business organizations like the corporation. Whether you agree with her or not, engaging her arguments is an invigorating and healthy exercise, highly recommended. Let’s think about these assumptions that have such defining force in our lives.

But even if you resonate with her perspective (I confess I find it “spot on”), the question is what to do about it. She provides some interesting ideas but changing a system is a tall order requiring a lot more analysis and strategy than this book can provide. I was sorry to read that she no longer believes, as she once did, that “voluntary change by progressive businesspeople would transform capitalism” (p. xii). Her efforts are invested in intellectual argument and in structural/legal changes. But without a renewal of personal and corporate ethics, of necessity voluntary, people will always game the system, no matter how “democratic” it is on paper. It is a both/and proposition, not an either/or. Ethical renewal and structural reforms.