THE HIDDEN HISTORY OF AMERICAN OLGARCHY

RECLAIMING OUR DEMOCRACY FROM THE RULING CLASS

New York Times Bestselling Author

THOM HARTMANN
The Hidden History of American Oligarchy
This page intentionally left blank
Dedicated to Louise Hartmann, forever.
This page intentionally left blank
At what point then is the approach of danger to be expected?
I answer, if it ever reach us, it must spring up amongst us. It cannot come from abroad. If destruction be our lot, we must ourselves be its author and finisher.
As a nation of freemen, we must live through all time, or die by suicide.

—Abraham Lincoln, Lyceum Address, 1838
## CONTENTS

**Preface**

**INTRODUCTION: AMERICA SLIDES INTO OLIGARCHY AND DANCES CLOSE TO TYRANNY**

1

**PART ONE: THE CRISIS OF OLIGARCHY**

9

- Modern Oligarchy Erupts
- The Presidency: Trump’s Playbook
- A Second American Civil War?
- Control the Media
- Controlling Congress (Both Federal and State)
- Seize the Courts
- Inevitable Tyranny
- How Oligarchs Seized the GOP
- The Oligarchs’ Most Successful Con
- The Crisis

**PART TWO: HOW OLIGARCHY LED TO THE CIVIL WAR**

47

- An Awakened Generation Challenges British Oligarchy
- Just Idealists, or Is Democracy in Our Genes?
- Revolutionary Principles: Born Equal
- Best-Laid Plans for Liberty: Ending American Slavery
- New Technology, New Oligarchy
- Where Cotton Is King, Cotton Makes Kings
- The Oligarchs’ War
**Part Three: How Oligarchs Hung On after the Civil War:**  
Controlling Free Commoners  
Control and Safety: The Conservatism of Oligarchy  
Slavery Is Legal in the United States in 2021  
Through Debt, Oligarchs Can Still Own People  
Oligarchs Use Medical Debt as an Instrument of Control  
Oligarchs Control the Commoners through Illiteracy and Student Debt  
Controlling the Commoners: When All Else Fails, Bring in the Police  
The Oligarchs’ Biggest Threat: An Educated Middle Class with Leisure

**Part Four: A Third Oligarchy Rises with the Reagan Revolution**  
Oligarchs Use the 14th Amendment to Get Corporate Personhood  
The Supreme Court Sets Up American Oligarchy  
“Starve the Beast” and Gut the Republic  
Holding Power: Buying Friends on Both Sides of the Aisle

**Part Five: When Oligarchy Becomes Tyranny**  
Lies: The First Step from Oligarchy to Tyranny  
Tyrants Modify the Very Language of a Culture  
“Deconstruct the State”  
Scapegoating to Dilute the Outrage
This book was written during the spring and summer of 2020, and although it was published in the early spring of 2021, the vagaries of the publishing business didn’t allow for any last-minute edits or changes after the November 3, 2020, elections.

If Donald Trump was reelected or somehow managed to remain president after January 20, 2021, then we must take to the streets. This is most likely democracy’s last stand.

If Joe Biden or another Democrat was elected, we have a lot of work to do.

Many of the holes, cracks, and weaknesses in our republic that Trump exploited were put into place by the Supreme Court in the 1970s and by Congress after 9/11.

The Buckley and Bellotti Supreme Court decisions of the 1970s legalized bribery and political corruption by giving corporations and billionaires the “free speech right” to own politicians and political parties. The Patriot Act and other similar legislation since 9/11 has given the president vast surveillance and police powers that we’ve seen used in authoritarian, strongman governments throughout history.

We must reevaluate, rescind, and replace all of these with legislation that protects the rule of law, circumscribes presidential war-making powers, blocks foreign countries and oligarchs from corrupting our political process, and takes political power away from American oligarchs and returns it to the people.

There’s also the possibility that the next GOP candidate for president will come from, or be one of, the same oligarchs
who brought Trump to power and worked to keep him there for a full four years. They will have watched Trump carefully and learned from all the ways he bent and broke our laws and institutions.

Americans must now prepare politically for 2024, and that starts by picking candidates and promoting policies that will beat oligarchy at both the presidential and congressional levels.

But most urgently, the entire country must laser-focus on stripping the oligarchic and fascistic elements that have crept into our republic since the Powell Memo, multiple Supreme Court interventions, and the Patriot Act with the war crimes and torture it has already facilitated.

America is at a turning point, and whether we continue our slide into oligarchy and tyranny or pull back to small-d democratic values will depend, in no small part, on the planning and work we do now, and the candidates and policies we support and put forward two and four years from now.
America Slides into Oligarchy and Dances Close to Tyranny

Democracy is rule of, by, and for the people; oligarchy is rule of, by, and for the rich.

This book details how oligarchs have unsuccessfully tried, twice, to replace democracy in America with oligarchy. Today, they are nearly finished with not only attempting a third time to change the American experiment from a democracy to an oligarchy, but pushing to then transition our nation from oligarchy to outright tyranny. It also lays out the steps necessary to stop and reverse the process, to restore democracy in our republic.

The transition from democracy to oligarchy usually starts with the very wealthy acquiring political power by buying influence with elected officials. They typically justify this with a belief that oligarchy is more stable and less messy than democracy, and that their success demonstrates that a sort of Darwinian process has chosen them to lead.

From there, they begin to so completely control the mechanisms of information (the media) and campaigns (financing campaigns directly, as well as indirectly via third-party groups) that their agenda overwhelms the governing agenda.
In the final stages, oligarchs themselves—or people so tightly aligned with them that they could only be called agents of particular oligarchs—rise up through seemingly democratic processes and take complete or near-complete control of government.

From there, oligarchs typically begin to, as Steve Bannon said was the main goal of the Trump administration, “deconstruct the administrative state,” seizing control over and corrupting every subordinate agency of government, from those responsible for enforcing the laws and the courts, to regulatory agencies, to those controlling the nation’s currency and economy.

America has been badly corrupted by oligarchy several times in our past, most famously when the pre–Civil War South, after the invention of the cotton gin, became a rigidified oligarchy that eventually challenged the power of the nation itself, leading to the deaths of more than 600,000 Americans. The oligarchs lost in that battle, although their legacy remains in an impoverished South and deeply ingrained structural and cultural barriers to Black advancement and supports for white rule.

The second major brush with oligarchy in the United States came toward the end of the 1800s as the industrial revolution spawned a new group of American oligarchs, who in 1920 reached the pinnacle of their power and seized control of much of the federal government. Their removal of the guardrails of democracy led to the Roaring Twenties, when the very rich got much richer and everybody else got poorer, a widespread American fascist movement was birthed (complete with rallies), and the oligarchs’ rule collapsed with the Republican Great Depression.
We are living through America’s third struggle with oligarchy. It began in 1971, when Lewis Powell, himself a proud agent of the tobacco oligarchs, laid out in a famous memo to the US Chamber of Commerce a plan for the various oligarchs of America to stop competing and organize to take over the US government.

By 1980, the plan was in full flower, and by the late 1990s, the oligarchs directly or indirectly controlled a majority of the states, the entire Republican Party, and, at the federal level, well over half of the Democratic Party. By 2005, oligarchic control over the executive branch of our federal government was largely in place, and it was cemented with the Trump administration.

When Donald Trump—himself an oligarch—came to power in January 2017, he and his agents embarked on a campaign to destroy the institutions of America that had been so carefully built up over more than 240 years. They succeeded in damaging and corrupting every single federal regulatory agency and turned the foundational departments within the executive branch into full-fledged agents of the Trump oligarchy.

The Justice Department, whose first head, Edmund Randolph, was one of the authors of the Constitution, was taken over by William Barr, a man who’d engineered two cover-ups for the Reagan/Bush crew back in the 1990s, proving his loyalty to corrupt oligarchy and his disdain for democratic institutions. During his reign, white-collar prosecutions dropped to levels not seen for decades as wealthy corporate criminals skated, while Trump’s financial and political dealings with Russia and sketchy oligarchs were purposely hidden from the American people.
This wasn’t because the American people wanted the Justice Department to serve the oligarchs; it was because the oligarchs wanted it.

The State Department, first led by Thomas Jefferson, ended up in the hands of Mike Pompeo, a corrupt toady of the Koch network, who repeatedly lied and covered up his own crimes in office, as well as Trump’s. The American people didn’t ask for this (or the “criminal justice reform” that made it harder to prosecute corporate CEOs); it was because the oligarchs wanted it.²

The Defense Department, first headed (as the War Department) by Henry Knox, who started his military career with the 1776 battles of Lexington and Concord and fought in the Revolutionary War to create America, ended up in the hands of Mark Esper, a former lobbyist for the oligarchs running one of America’s largest defense firms.³ Average Americans never asked for a defense industry lobbyist to run the Pentagon; the defense industry oligarchs wanted him.

With a lobbyist in charge of the Department of Homeland Security, private prison companies whose political action committees (PACs) and employees donated millions to Trump and the GOP received billions in bloated contracts to house asylum seekers. Americans didn’t ask for this; private prison oligarchs did.⁴

At the Department of the Treasury, Trump put “foreclosure king” Steve Mnuchin in charge, the man who’d thrown more than 36,000 people out of their homes during the Bush Great Recession of 2008 and raised $169 million to get Trump elected. Americans didn’t ask for a grifter banker to be in charge of our economy; the banking oligarchs did. And he
delivered to them, repeatedly, passing out a half trillion dollars in taxpayer money to his oligarch buddies, then refusing to tell Congress or the American people who got the money.⁵

Over at the Department of Commerce, Trump put the man who Forbes magazine called “one of the biggest grifters in American history” in charge. Wilbur Ross lied about his wealth, made decisions that helped his own investments, and tried his best to rig the census to diminish Hispanic and Black political power. The people of this country didn’t want a con man running the international end of our economy, but billionaires who made money offshoring jobs were very happy with him.⁶

At the Department of the Interior, responsible for our federal lands and national parks, oil and mining lobbyist David Bernhardt put at least 25 former lobbyists from his industries in charge, along with more than 35 former oil and mining executives. Drilling and mining rights, from sacred Indian lands to offshore marine sanctuaries, were sold off at fire-sale prices.⁷ The American people never asked for their parks to be despoiled, but the fossil fuel oligarchs sure did.

The list goes on and on, and by the end of the 2017–2021 Trump term, every single cabinet department and regulatory agency was corrupted and bent to the will of America’s industrial and inherited-wealth oligarchs.

Thousands of years of history tell us that oligarchies are unstable systems. They tend to either collapse from their own internal rot, as happened in 1929 in the United States, or fall to uprisings from their own people or their own overreach, as happened in the United States in the 1860s.