

How money, wealth erode democratic governance

“Resisting the Rule of the Rich” is the title for this year’s report on global inequality by Oxfam.

Every year, to coincide with the World Economic Forum, that exclusive gathering of world leaders and elites in Davos, Switzerland, Oxfam provides this analysis.

The 2026 report is the tenth in this series, and this edition spotlights an alarming trend of the monied and wealthiest using their power to control politics, decide elections and, as such, the conduct of governance. This high level of dominance dooms futures and eclipses alternatives as the wealthy define the rules of the game and use political power to skew policy decisions and outcomes in their interests.

This is scary amid the reversals in civil and political liberties that is sweeping across many polities. The analysis cautions about the higher likelihood of “democratic erosion” in countries with prominent levels of inequality.

Even in these times of geo-economic turmoil, the analysis shows billionaires everywhere and especially in the United States of America, continue to grow their fortunes. Per the report, the billionaires count has now surpassed the 3,000 mark, and their wealth the highest ever in history. This, as one in four persons globally lives hungry. “The world’s 12 richest billionaires have more wealth than the poorest half of humanity (i.e. over four billion people),” the report notes.

Since the Covid-19 pandemic in 2020, the previous reduction in poverty rates has stalled and poverty is rising again. Africa is experiencing rising extreme poverty. Close to half (48 percent) of the world’s population is living in poverty (at similar levels to those in 2019). In general, there have been increases in food prices that have also affected those in countries in Europe and North America thought to be “rich”.

The report finds that 92 million people are food insecure. Last year’s assessments of the state of food security and nutrition in the world show that around 2.3 billion



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people faced severe or moderate food insecurity in 2024. This as public investment in agriculture falls. The Food and Agriculture Organization estimates the share of public spending on agriculture (against total expenditure) to be on the decline, falling by 10.6 percent since 2019. The climate crisis and escalating wars and conflict are worsening the food security outlook.

The link between economic and political fortunes is explicit and sobering. Citing a 2025 study, the report finds that economic inequality is the breeding ground for repressive politics. Key indicators include the failure of checks and balances (as among the executive, legislative and judicial arms of government) and restrictions of individual rights and freedoms.

Illustratively, the report names the 2025 inauguration of a billionaire as president of the US and his appointment of a cabinet featuring other billionaires following an election hugely bank-rolled by the world’s richest man.

In the East African region, the reality of money and wealth dictating the pace and outcome of elections and governance is painfully alive. For example, Kenya’s 2022 elec-

tions were judged to be the most expensive in the country’s history (also placing Kenya’s among the world’s costliest). Cost projections for next year’s elections show this trend of high spending will continue. Efforts to regulate campaign finance have come a cropper. What this does is to negate the value of the vote and voice of citizens in politics and governance.

The control by the wealthy extends to media platforms and related information technology. The report finds that “more than half of the world’s largest media companies are owned by billionaires.” Adding that six billionaires run nine of the world’s top 10 social media companies. Similarly, billionaires run eight out of 10 top artificial intelligence (AI) companies, with a staggering “90 percent of the generative AI chatbot market commanded by just three billionaires.” This matters in an age of bold claims about the growing traction of social media channels as sources of news and public information.

To create a more equal future, the report recommends “building a firewall between wealth and politics” through regulatory steps, including using taxation of the super-rich to rein in their economic (and political) power; banning elections financing by the rich; strengthening independent media and enhancing algorithmic transparency. It also urges the building up of political power of the majority, and a movement to defend rights and demand a more equal world. Significantly, it reiterates the calls for an “Independent Panel on Inequality” made by experts commissioned under South Africa’s G20 presidency last year.

The resounding message is that when money dominates politics, governance and policy decision-making, the majority poor lose out. Therefore, working to reverse inequalities must be a central strategy in efforts to shift political power from the few to the many—because economic inequality drives political inequality.

The writer is a social policy analyst with an interest in political economy.