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Representative Democracy in an Age of Inequality

why legal reforms are needed to protect New Zealand's system of government

Abstract

New Zealand's system of government is vulnerable to undue influence and distortion by private wealth. Our legal framework contains no limits on domestic political donations (including donations from corporations and lobbyists), weak disclosure standards for political financing, no political expenditure limits outside the election period, insufficient regulations on lobbying and the revolving door between public and private employment, and few meaningful regulations on conflicts of interest. Given the nation's high level of wealth concentration, these vulnerabilities pose a critical threat. Comprehensive electoral reforms are required to prevent economic inequality from becoming politically entrenched and representative democracy from being undermined.

Keywords economic inequality, political inequality, political donations, party finance, corruption, representative democracy

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New Zealand is supposed to be a representative democracy. The conditions of service in the House of Representatives require all MPs to 'act in the public interest' as legislators and 'represent the citizenry' in parliamentary business and in general dealings with central and local government (McGee, 2017, p.50). Of course, members of Parliament cannot sit or vote in Parliament without first having sworn to 'be faithful and bear true allegiance to Her Majesty Queen Elizabeth the Second, Her heirs and successors' (see Constitution Act 1986, s11(1) and Oath and Declarations Act 1957, s17). But that oath is considered archaic, while the conditions of service are vital to political legitimacy. Indeed, when a single political party finally gained enough votes to form a majority government under MMP, its leader didn't reaffirm her allegiance to the Queen or even to the 50% of voters who had made it possible for Labour to govern alone. Instead, Prime Minister Jacinda Ardern said: 'I can promise you, we will be a party that governs for every New Zealander' (Brancatisano, 2020).

That kind of promise is credible in exceptional times – times of war, terrorism and global pandemics – when the entire nation shares the same fundamental interests. Beyond the usual disagreements over the best means to employ and the necessary trade-offs to accept, everybody wants to overcome external threats to peace, security, prosperity, health and human flourishing. But internal threats to these same interests trigger deep divisions.

In polls conducted before and during the Covid-19 global pandemic, New Zealanders ranked systemic economic problems as among most important issues facing the country. These included 'poverty and the gap between rich and poor', 'house prices and housing affordability', 'housing shortages and homelessness', and the cost of living (Roy Morgan, 2017, 2018; IPSOS, 2020).[1] When it comes to such contested issues as inequality, taxation and housing market regulations, no party can govern for every New Zealander. But can we at least trust in government ministers, MPs and political parties to represent the citizenry on the whole and pursue the public interest in good faith?

According to the Institute for Governance and Policy Studies (IGPS) public trust survey, the citizenry has serious doubts about the integrity of its political representatives and political parties. Conducted four times between 2016 and 2020, the survey suggests that an average of just 11.8% of New Zealanders have 'complete trust' or 'lots of trust' in government ministers (Nguyen, Prickett and Chapple, 2020). As for high levels of trust in MPs, the average is lower still at 9.1%. Including political parties for the first time in 2020, the survey found that only 5.9% of respondents have a high degree of trust in these organisations.

On a positive note, the percentage of respondents with at least a 'reasonable amount' of trust in the government to 'do what is right for New Zealand' increased from 46.5% to 60.7% between 2016 and 2020 (in parallel with Labour's rise to power and its positive response to Covid-19). And when it comes to citizens' interests being 'equally and fairly considered', the percentage of respondents having at least a reasonable amount of trust also rose significantly, from 38% to 47.7% (ibid.). Still, even under an unusually popular government, over half the population considers our democracy unequal or unfair, and levels of trust in government ministers, MPs and political parties remain extremely low.

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How do these mixed results bode for the health of our representative democracy? To begin with, they indicate that New Zealand isn't exempt from a worrisome trend affecting other advanced democracies. OECD research has found that '[t]he government and the parliament are the least trusted institutions in most countries surveyed', and the comparison includes such frequent objects of distrust as financial institutions, the media, immigrants and people from another religion (OECD, n.d.). Examining popular perceptions more closely, the public exhibits greater trust in government openness, reliability and fairness than in government responsiveness and susceptibility to petty corruption. As for the lowest of all levels of trust, they're reserved for government susceptibility to 'high level corruption'. Affirming the prime importance of this issue, OECD research has also found that perceptions of high-level corruption 'are the strongest determinant of trust' (ibid.).

That might sound like good news. When it comes to levels of perceived public sector corruption, New Zealand has been ranked by Transparency International best in the world 15 times since 1995 and in the global top four every year. And when it comes to issues of government quality, including popular voice and accountability and government effectiveness, the World Bank consistently lists New Zealand in the global top ten (World Bank, 2020). Similarly, the *Economist*'s annual Democracy Index has given New Zealand a nearly perfect rating from 2006 to 2020; just fractions of a point behind Norway, Iceland and Sweden, New Zealand currently ranks fourth in the world, the best of all Commonwealth nations and 21 places above the United States (Economist Intelligence Unit, 2020, pp.8–9).

If perceptions of corruption and government quality are what matter most for public trust, then wouldn't complacency be a reasonable attitude for the citizenry and the government to adopt? Absolutely not. And the reasons should motivate the government to be bold and uncompromising when it fulfils its promise of 'a full review of the electoral act, which will include a review of electoral financing rules' (Giovannetti, 2020; New Zealand Labour Party, 2020, p.21).

First of all, New Zealand's sterling reputation for controlling corruption is based on the perceptions of 'business-people and country experts' (Transparency International, 2021, p.24). Public perceptions, in contrast, feature serious concern about high-level corruption. In the four IGPS surveys conducted between 2016 and 2020, a minimum of 70% of respondents reported 'not much trust' or 'little to no trust' in 'the way in which political parties are funded' (Nguyen, Prickett and Chapple, 2020). IGPS research also suggests that 'over one third of New Zealanders see corruption as widespread in government' (ibid.).

Second, experts' views are rapidly changing in ways that support public perceptions. Take 29 January 2020, as an example. That afternoon, the results of the 2019 Transparency International Corruption Perceptions Index were announced. New Zealand came in first, tied with Denmark. But in the accompanying executive report, Transparency International chairperson Delia Ferreira Rubio implored governments to 'urgently address the corrupting role of big money in political party financing and the undue influence it exerts on our political systems' (Transparency International, 2020, p.7). At approximately the same moment on the 29th, the Serious Fraud Office announced that four people had been charged in relation to large donations made to the New Zealand National Party (Serious Fraud Office, 2020). Before the year was over the Serious Fraud Office had announced charges in relation to donations made to the New Zealand First Foundation as well. It also commenced investigations into the Labour Party's fundraising practices and those surrounding mayoral elections in Auckland and Christchurch. Even bearing in mind the presumption of innocence, these charges and investigations should motivate the government to take a hard look at political donations. When it comes to Transparency International's recommendations of controlling political financing, managing conflicts of interest and regulating lobbying activities (Transparency International, 2020, p.5), New Zealand has serious vulnerabilities and its few existing restraints on political financing may be frequently violated.

Third, unlike the fairy tale of a corruption-free New Zealand, public attitudes, Serious Fraud Office investigations and Transparency International's 2020 warning reflect the reality of modern-day political parties. While approximately 25% of New Zealand voters belonged to a political party during the high point of last century's mass political party era (Marsh and Miller, 2012, p.213), party membership is probably less than 5% today (Nguyen, Prickett and Chapple, 2020), and quite possibly as low as 1–2% (Hehir, 2018).[2] While mass political parties were characterised by meaningful grassroots involvement in the formation of party policy, the selection of candidates, attendance at campaign meetings and voter mobilisation efforts (Marsh and Miller, 2012, p.213), political parties with low membership and high costs are 'easy prey for the rich and powerful for whom the political parties offer opportunities for greater wealth and power' (Ewing and Issacharoff, 2006, p.5).

Even if the Serious Fraud Office ends up exposing corrupt violations of electoral law, the greater scandal will still be the reality that many powerful types of undue influence are entirely lawful in New Zealand.

This dynamic is cushioned somewhat by New Zealand's public subsidies for political party expenses and its political party expenditure limits during the three-month election period. But political parties' financial needs go beyond the election period, and, together with candidates, they raise millions of dollars beyond what the state provides. Those private funds are subject to a low degree of transparency, and there are no limits on donations from domestic corporations, trusts, government contractors, lobbyists or individual citizens. To make matters worse, the lobbying industry is almost entirely unregulated and there are no binding standards for mitigating or refusing public conflicts of interest. Even if the Serious Fraud Office ends up exposing corrupt violations of electoral law, the greater scandal will still be the reality that many powerful types of undue influence are entirely lawful in New Zealand.

When it comes to the corrosive influence of private wealth on representative government, the stable door has been left wide open. That risk wouldn't matter so much if wealth were relatively evenly distributed across society. As things stand, however, the horses are virtually guaranteed to bolt, and once they're out it may be impossible to get them back in.

Economic inequality

If wealth is unevenly distributed and the wealthiest individuals have different interests from average citizens on such essential matters as taxation and economic regulations, then political influence on the basis of wealth would distort representative democracy. Is there a sound basis for this kind of concern in New Zealand?

In New Zealand, inequality in household income and the share of wealth owned by the top 10% are both above the OECD average (OECD, 2020, p.6). The wealthiest 10% of New Zealanders possess 59% of total national wealth. The poorest 50% of New Zealanders own just 2% of that wealth (Rashbrooke, 2020). However, a study of capital income by Treasury found that inequality may actually be steeper than this, with the top 10% owning 70% of total wealth (Coughlan, 2021). The average member of the wealthiest 1% holds $3.6m in trusts, $1.6m in shares and $470,000 in cash. The average citizen, meanwhile, holds assets worth $92,000 and has an annual disposable income of $45,744 (Rashbrooke, 2020).

To find similarities between the wealthiest individuals and the middle and lower classes, one need only scrutinise high worth individuals' tax returns.[3] According to an Inland Revenue report released in 2018 under the Official Information Act, two thirds of those who possess over $50 million in assets declare incomes under $70,000 per year (Leask and Savage, 2013). That's surprisingly similar to the average income of all individuals and households combined. More surprisingly, 42% of high worth individuals pay an effective tax rate similar to the minimum rate of 10.5%, applicable to income of up to $14,000 (Coughlan, 2021). Someone who works a minimum wage job is actually likely to be subject to a slightly higher tax rate than nearly half of the nation's wealthiest individuals and entities.

To avoid paying much income tax, high worth individuals rely on untaxed capital gains, provide services to their own companies which are compensated by the sale of those businesses, and donate wealth to charities that they control, but which may 'ultimately make little or no charitable donations' (Inland Revenue, 2018, pp.4–5, 22). To shield their wealth from taxation altogether, high worth individuals rely on complex tax-planning devices, including 'companies, trusts and overseas bank accounts' (Leask and Savage, 2013). These strategies work so well that high worth individuals pay no taxes at all on 'a large proportion (upward of 33%) of the core wealth' that they control (Inland Revenue, 2018, p.13).

Recalling the general public's concerns over inequality and housing, it's important to note that HWIs' wealth is primarily tied up with property, including commercial and residential property development and real estate businesses (Inland Revenue, 2018, p.8). Discussing how the total estimated wealth of high worth individuals increased from $32.9 billion to $57.5 billion between 2010 and 2014, Inland Revenue noted that property investment is their 'most popular business activity' (Inland Revenue, 2018, p.12).[4]

The boom in real estate prices has surely brought tremendous wealth to the highly leveraged, but for society as a whole it has brought greater rates of homelessness, a state housing crisis, unsafe living conditions, and nearly insurmountable obstacles for young people wanting to buy their first home. Leilani Farha, the United Nations special rapporteur for the right to housing, described the situation in New Zealand as 'a human rights crisis of significant proportions', which includes 'not only violations of the right to housing, but also of the right to health, security and life' (UN Office of the High Commissioner for Human Rights, 2020). Explaining the roots of this crisis, Farha cited 'a speculative housing market that has been supported by successive governments who have promoted homeownership as an investment, while until recently discontinuing the provision of social housing and providing inadequate tenant protection'. As potential solutions, she referenced 'a capital gains tax on the sale of residential properties [and] rent freezes', among other measures.

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Farha's suggestions point to the elephant in the room: the housing crisis is partly a political choice. In March 2021, Labour announced new policies that could make some difference, including a large public investment in new builds, a five-year extension on taxes on residential property investments, and wider eligibility for first home grants (Walls, 2021). But these changes didn't come until New Zealand was ranked most unequal out of all OECD countries for housing affordability (OECD, 2020, p.7) and accused of significant human rights violations.

We also ought to wonder about the endurance of the political choices underlying economic inequality in general – including the tax loopholes for corporations and trusts exposed by Treasury and Inland Revenue, the failure to restrain speculation in financial markets and property markets, the absence of a wealth tax, low capital gains taxes, and even tax and benefit cuts carried out in the early 1990s. These conditions help explain why the total wealth of the top 0.02% of New Zealanders increased by 500% between 1996 and 2015 (Hazledine and Rashbrooke, 2018, p.300). Relatedly, New Zealand's break with social democracy in the 1980s–90s coincided with 'the developed world's largest increase in income inequality' (ibid.). The question is, how bad do things have to get before governments are willing to defy those who benefit most from the status quo?

If they wanted to address today's severe inequalities, governments could adopt progressive tax policies, pass corporate governance reforms, regulate property markets, raise the minimum wage, and make larger public investments in education, health, housing, benefits and environmental protection (World Inequality Lab, 2018, pp.15–16). But, given the fact that a small number of citizens and corporations possess the majority of national wealth and are predisposed to opposing such policies, the first logical step would be to distance elections, political parties, and law and policymaking from disproportionate financial influence.

That project isn't bound up inexorably with any specific set of policy preferences, such as an increased minimum wage, or generally partisan goals, such as wealth redistribution. Political finance reform isn't socialism in disguise. Rather, it's the structural requirement for the survival of core democratic values and mechanisms in the age of inequality. Those values and mechanisms include representative democracy and responsive government, free and fair elections, political equality, public trust and engagement, deliberation in good faith on the merits of the issues facing the nation, a rejection of high-level corruption, and an embrace of political legitimacy. That said, the interaction between economic inequality and political inequality helps illustrate the threat to those core values and mechanisms.

Political inequality

The state of the US political economy provides a salutary warning. By 2010 the United States had become the most economically unequal advanced democracy in the world. The top 10% of the population had captured 72% of total national wealth, leaving just 2% of total wealth for the bottom half (Piketty, 2014, p.257). Why would political parties and democratically elected office holders help create and maintain the conditions for such a massive concentration of wealth?

Surveying nearly 2,000 issue areas at the federal level, Martin Gilens and Benjamin Page found that American democracy had been systematically co-opted by the wealthy: 'Economic elites and organised groups representing business interests have substantial independent impacts on US government policy, while mass-based interest groups and average citizens have little or no independent influence' (Gilens and Page, 2014, p.564). Regarding this article's particular concerns, Gilens' prior work revealed widespread 'representational inequality… with a strong tilt toward high-income Americans on economic issues' (Gilens, 2012, p.234).

Discussing the mechanisms for government capture by the wealthy in the United States, Gilens and Page could have been describing politics in New Zealand:

> It is well established that organized groups regularly lobby and fraternize with public officials, move through revolving doors between public and private employment, provide self-serving information to officials … and spend a great deal of money on election campaigns … [M]ost interest groups and lobbyists represent business firms or professionals. Relatively few represent the poor or even the economic interests of ordinary workers. (Gilens and Page, 2014, p.567)

Let's explore one of those causes, campaign finance. In all national elections between 1990 and 2016, an average of just 0.36% of the adult US population stood behind the great majority of campaign funds (Center for Responsive Politics, n.d.).

Who is part of this elite donor class and what do they want from government? The donors behind the great majority of campaign and party funds are over 90% white, mostly male, college educated, middle aged or older, and relatively wealthy.[5] In fact, nearly half of those who donated $5,000 or more to congressional elections between 2012 and 2016 are millionaires. Within this small cross-section of the population, research on the wealthiest Americans suggests that major campaign donors are much more economically conservative on key distributive issues, such as taxation, economic regulation and welfare entitlements (Page, Bartels and Seawright, 2013).

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There are at least four reasons why it would be wrong to dismiss this cautionary tale as just another example of American exceptionalism.

First, the law on political donations is weaker in New Zealand than in the United States. Whereas disclosure begins at $200 in the United States, it begins here at $15,000.01 for political parties and $1,500.01 for candidate donations, and this information isn't made available in New Zealand until after each election (Electoral Commission, n.d.a, n.d.b). Only party donations over $30,000 need to be reported immediately. Moreover, in New Zealand there are no limits on domestic political donations, including donations from corporations, lobbyists and government contractors. The donor class's near monopoly over US campaign financing was achieved even with individual campaign donation limits of under $3,000 per candidate per election and $36,000 per national party committee annually (Federal Election Committee, n.d.a). And in the United States, corporations, federal government contractors and foreign nationals have been barred from contributing to candidates and political parties (Federal Election Committee, n.d.b).

This comparison suggests a clear and present danger in New Zealand of individuals or companies exercising a high degree of financial influence, if not control, over political party positions on key issues affecting, for example, the dairy industry, the racing industry, the fishing industry and property investors. Plus, the level of transparency is shockingly low.

Second, what little we know about political donations in New Zealand is sufficient to raise concerns about the distortion of representative democracy. Simon Chapple and Thomas Anderson's pathbreaking analysis of donations between 1996 and 2019 begins by noting significant problems of underreporting, splitting donations into smaller chunks to avoid disclosure, and the use of proxies (Chapple and Anderson, 2021). Suggesting that the 'use of trusts, anonymous donations, auctions, donation splitting and inter-temporal transfer of donations' is significant, they consider the universe of recorded donations just 'the tip of an iceberg'. Within that exclusive universe of donations over $15,000, here are the key take-away points:

- Gender matters. Men donate much more than women and millionaire donors are almost entirely male.
- Donations are heavily skewed towards the interests of capital. Businesses and trusts are an important source of party donations directly, and a very important source indirectly as well, given that most private donations come from returns on capital, not wages or salaried employment. Moreover, 'the majority of large donations come from repeat donors', which likely means that business interests are more persistent in attempting to exercise political power through financial means. MPs, party branches, trade unions and community

organisations, on the other hand, are all 'minor sources of funding'.

- Donors to the National Party appear much more likely to seek business-friendly policies, but even Labour's donation pool is more pro-business than pro-trade union. Between 2011 and 2019, National received three and a half times more money from anonymous individual donations than Labour ($14 million compared to $4 million), including over $5 million from trusts. In fact, between 1996 and 2019, National received almost 90% of the total donations made by trusts to all registered parties and nearly twice as much money from businesses as the Labour Party. Although Labour received almost all trade union donations between 1996 and 2019, business donations to Labour amounted to 35% more money. Moreover, almost two thirds of that corporate money came from donors giving to multiple parties, meaning that Labour's corporate donors are 'pursuing influence' and seeking to 'protect profitability', rather than 'endorsing [Labour's] centre-left ideology'.

Third, what we know about the United States and reasonably suspect about New Zealand fits into the international crisis of capitalist democracies. In its global analysis of domestic politics, the 2019 United Nations *Human Development Report* notes that well-funded interest groups 'capture the system, moulding it to fit their preferences', and produce 'systematic exclusions or clientelism' (UN Development Programme, 2019, p.11). This observation coincides with a key insight in the Electoral Integrity Project's 2019 report: 'Elections are necessary for liberal democracies – but they are far from sufficient [for] facilitating genuine accountability and public choice' (Norris and Grömping, 2019, p.8). Its 2016 report claims that 'campaign finance failed to meet international standards in two-thirds of all elections' (Norris et al., 2016).

That conclusion harmonises with the wealth-based means of political leverage described in the UN report: 'lobbying, campaign financing and owning media and information' (UN Development Programme, 2019, p.63). Speaking to the importance of these avenues for influence,

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the UN report notes that the concentration of economic power is far easier to curb before 'its translation to political dominance' (ibid., p.63). Indeed, the fifth and final 'key message' of that entire 350-page document is that 'We can redress inequalities if we act now, before imbalances in economic power are politically entrenched' (ibid., p.14). These conclusions also sync with Transparency International's 2019 report, which stresses that '[p]ublic policies and resources should not be determined by economic power' and that 'governments must … limit the influence of big money in politics' (Transparency International, 2019, p.4).

Positive proposals for change

In order to protect the integrity of our representative democracy, the government's upcoming review of electoral law ought to be broad and systematic, covering not only political financing, but lobbying and conflicts of interest as well. A broad review would be consistent with international standards and recommendations (United Nations, 2004, articles 7–8, 18; Transparency International, 2019, p.5).

MP Golriz Ghahraman's Electoral (Strengthening Democracy) Amendment Bill proposes lowering the disclosure threshold for all donations to $1,000 and capping aggregate donations at $35,000 per individual. That new threshold for disclosure would complicate myriad practices employed today which amount to 'donation laundering'. Beyond the scope of Ghahraman's proposed terms, an individual donation limit to parties and political campaigns could be set at around 5% of average yearly individual income to prevent the donor class from becoming outrageously unrepresentative along socio-economic lines. Political parties would then have a greater incentive to seek small donations from a great many supporters.

The $50 limit on foreign donations to parties and candidates established pursuant to the Electoral Amendment Act 2019 (2019/72) would make an excellent beginning for a new wave of reforms. Additional measures and monitoring are required, however, to ensure that foreign donors don't set up a domestic company or trust to evade the limit. Moving forward, parties could be required to declare donations online, weekly or in real time, instead of waiting until after an election has concluded. Political donations from trusts, businesses, lobbyists and government contractors could be banned. Businesspeople, shareholders, consumers and people committed to a particular economic philosophy could appropriately fill that void (subject to reasonable dollar limits). Or if donations from legal persons aren't banned, they should at least be limited in quantity, disclosed immediately, and limited in source to segregated funds (not general treasury funds) that the relevant stakeholders have specifically authorised to be used for political purposes.

To adequately enforce the rules, the Electoral Commission should be endowed with greater power. First, it should have an independent power to investigate breaches of electoral law. By the time the Electoral Commission hears about a potential violation of electoral law and refers the matter to the police (who may then refer it to the Serious Fraud Office), rule-breakers have had ample time to destroy the evidence and get their stories straight. There is no element of surprise. Second, it should have powers of compulsion. The Electoral Commission should have the power to compel the production of evidence and documents, compel people to attend and, possibly, compel them to testify as well. These powers would increase the certainty and celerity of prosecution for violations of electoral law, and these two factors are well known to be more significant in deterring wrongdoing than large penalties alone. Although such powers are controversial, they have been tried and vetted by other comparable bodies, such as the Independent Broad-based Anti-Corruption Commission in Victoria.

Beyond rules on donations, there ought to be a mandatory lobbying register, a binding code of conduct for lobbyists, and binding provisions to slow the revolving door between public and private employment (Edwards, 2019). While the attorney-general and the Government Administration Committee considered the terms of Holly Walker's Lobbying Disclosure Bill 2012 too strict for their interpretations of privacy and free speech (Government Administration Committee, 2013), Walker proposed an amended bill (Walker, 2014), the likes of which could be taken up again. Without even basic safeguards on lobbying, New Zealand ignores OECD principles and lags far behind other advanced democracies (OECD, 2013; Ferguson, 2018, pp.889–940).

As for MPs' conflicts of interest, the existing register of pecuniary interests and standing orders of the House of Representatives provide a rudimentary degree of disclosure. Unfortunately, they relegate decisions about mitigating, stepping back and refusing conflicts of interest to members' own discretion and internal discipline by political parties (McGee, 2017, p.53; Standing Orders Committee, 1995, p.82).[6] A code of ethical conduct for political representatives, such as the codes adopted by the UK, Canada and Australian state parliaments, would be a major improvement (Ferguson, 2018, pp.853–87) and is incumbent upon New Zealand as a matter of international law (United Nations, 2004, article 8).

While Serious Fraud Office investigations and prosecutions may soon reveal specific acts of corruption in political party financing, the real scandal is what's legal and commonplace. Current patterns of political party financing compromise the integrity of representative government and diminish public trust in democracy. Viewed together with significant vulnerabilities to the undue influence of concentrated wealth in lobbying and public conflicts of interest, the poorly regulated state of political finance may amount, in practice, to a system of political exclusion on the basis of wealth (or socio-economic status). Universal suffrage regardless of race, sex, ethnicity and property ownership represents the beginning of representative democracy; the next step consists of comprehensive reforms to prevent the undue influence of private wealth over elections, law and policy.

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1 By May 2020 the fallout from the global pandemic had elevated general concerns over the health of the economy and job loss to the top of the list, but a significant percentage of New Zealanders still ranked poverty/inequality, the supply and affordability of housing and the cost of living as among the most important issues facing the country (IPSOS, 2020).

2 Liam Hehir (Stuff, 2018) estimates that National and Labour have a total membership of approximately 30,000 people. That number amounts to about 1% of the total number of voters in 2020 (3.5 million). Even factoring in the number of members of all other political parties, the number could not be expected to double, and therefore it could not be expected to reach 2%. This assumes, however, that Hehir's baseline estimates for National and Labour are accurate.

3 High worth individuals are 'individuals who, together with their associates, effectively control a net worth of $50 m[illion] or more'. They are composed of individuals, companies, trusts, partnerships and other entities, including consolidated groups (Inland Revenue, 2018, pp.7–8).

4 This is consistent with Hazledine and Rashbrooke, 2018, p.301.

5 This is a synthesis of several studies: see, for example, Wilcox, 2001; McElwee, Schaffner and Rhodes, 2016; Roberts, 2016; Pew Research Center, 2017.

6 'The House has not adopted detailed ethical guidelines for its members, taking the view that advice about appropriate behaviour is primarily a matter for induction training and internal party discipline' (McGee); 'Members who have a financial interest in business before the House are not thereby disqualified from participating in a debate on the matter, serving on a committee inquiring into it, or voting on it. It is for members to judge whether they should participate in any of these ways when they possess a financial interest in the outcome of parliamentary proceedings' (Standing Orders Committee).

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