

IDEAS

## Trump's Very Ordinary Indifference to the Common Good

Blowing off tax obligations and public-health dictates makes the president an all too typical member of a self-indulgent global elite.

By Brooke Harrington



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President Donald Trump is supposedly a billionaire, but the \$750 that he paid in income taxes in the first year of his term doesn't begin to cover his fair share of society's expenses—much less the cost of government lawyers defending his personal and political interests or the health-care bills from the coronavirus outbreak within his own White House. But what *The New York Times* revealed in its recent reporting on Trump's tax returns was not just one man's refusal of his fiscal obligations. Those returns, along with Trump's whole approach to governing, are a concrete manifestation of a broader and more troubling phenomenon: an elite insurgency in which wealthy, well-connected people around the world stiff the societies that gave them success. Observing Trump's open defiance of the law and rejection of accountability, many critics have attributed the pattern to the quirks of

Trump's individual psychology. But they have missed the larger picture: This president is an entirely ordinary member of a global elite whose members believe that rules are for chumps.

I have spent more than a dozen years studying the planet's wealthiest people and the experts who create offshore trusts, foundations, and other entities on their behalf. The clearest window into this world remains the 2016 disclosure of more than 40 years' worth of data from a law firm, based in Panama City, that helped clients stash wealth outside their home country. That story, known as the Panama Papers, exposed a sprawling web of tax evasion, money laundering, and other financial misdeeds by the global elite. Also exposed was a brazen contempt for the law by many officials—including heads of state and ministers of justice and finance—who were empowered to uphold it.

Trump's name came up more than 3,500 times in the documents; although he was not implicated in any wrongdoing, many of his customers, business partners, and other associates were. The Panama Papers, still the largest data leak in history, sketched a picture of elites in revolt: a growing refusal of obligation to the societies that had allowed them to become wealthy and powerful. That point was underscored 19 months later by the Paradise Papers, another offshore leak involving prominent figures as varied as Queen Elizabeth II and Trump's secretary of commerce, Wilbur Ross. Both leaks showed that the offshore economy had produced something dangerous to the rest of us: a *noblesse* without the *oblige*. They also showed that the phenomenon was global.

As part of my research, I interviewed 65 wealth managers in 18 tax havens. Their clients used offshore tools to facilitate a way of life not only luxurious but libertine—one that exempted them from what most average people would regard as basic obligations to society, and gave them the freedom to do what might get other people in trouble. In other words, they aspire to the same lifestyle Trump has exemplified for decades, including his tax dodging and the gold-plated bathroom fixtures on his private jet. Although he is undeniably different from his recent predecessors in the Oval Office—particularly in his swaggering defiance of laws he swore to uphold and protect on Inauguration Day—Trump is the ideal representative of the elite insurgency. His offhand remark while filming *Access Hollywood* 15 years ago could serve as the unofficial motto for the whole offshore world: “When you're a star, they let you do it. You can do anything.”

A similar ethos was expressed more eloquently by a Geneva-based wealth manager I interviewed; she spoke of her clients as “people above nationality and laws.” Another in the Cayman Islands described his offshore clientele as “a pretty global bunch, with

a lot more in common with each other than with the people of their own countries.” To study the offshore world, I needed to enter it fully, so I spent two years training to become a wealth manager myself. The job, I learned, consists of law avoidance—helping clients dodge creditors and legal judgments, along with the claims of ex-spouses and disgruntled heirs, is as much a part of the wealth manager’s role as facilitating tax evasion. The result was, as I wrote in *The Atlantic* in 2015, a “libertarian fantasy made real.”

Since entering politics, Trump has followed the elite-insurgency playbook, not just refusing accountability, but flaunting his impunity. In 2016, he bragged that paying little in taxes made him “smart.” The novelty of his defiance lay in its openness. Only four years previously, the GOP presidential candidate Mitt Romney had sounded defensive when conceding that he had legally reduced his income-tax rate to 14 percent. “I pay all the taxes that are legally required and not a dollar more,” he said in a debate. Then came Trump. Far from explaining or apologizing where his taxes were concerned, he simply scoffed at the idea of anyone holding him accountable.

The public’s failure to grasp the message of the offshore leaks years ago—that a global elite’s culture of radical impunity threatens all of us—meant that Trump’s flamboyant defiance was treated as a *personal* quirk, rather than as a wedge prying apart the international rule of law. This doomed Americans to watch the same behavior patterns characteristic of the offshore world repeated in increasingly damaging ways onshore. After Ross ignored calls for his resignation when the Paradise Papers exposed his multiple business ties to Russian President Vladimir Putin, he moved on to ignoring Congress itself. About 20 months after his offshore scandal, Ross became the first secretary of commerce in United States history, and only the second Cabinet-level official, to be found in contempt of Congress: He blithely refused to acknowledge a subpoena demanding that he explain his addition of a citizenship question to the 2020 census. His defiance has been matched by other executive-branch officials, including Secretary of the Treasury Steven Mnuchin and Secretary of Defense Mark Esper.

When ordinary citizens ignore congressional subpoenas, they face immediate jail time, plus criminal and civil prosecution. But so far, Ross, Mnuchin, and Esper have faced zero sanctions. Trump’s critics have accused him of taking a quasi-monarchical view of executive power, akin to that of Richard Nixon, who infamously claimed that “when the president does it, that means that it is not illegal.” But this administration’s defiance of accountability has little to do with any deeply held philosophy about the separation of powers. Rather, for Trump and others in a certain stratum of wealthy and well-connected people, submission to any country’s laws is a drag, and avoiding basic obligations to society is a point of pride.

For a president to behave this way is harmful enough in the best of times. During a pandemic, it's catastrophic. When Trump formally declared COVID-19 a public-health emergency in mid-March, he added, "I don't take responsibility at all." That was interpreted as a comment on the past, relating to the lack of national preparedness for the pandemic. But it turned out to be the entire plan for the *future* federal response, as well: blame China, downplay the severity of the pandemic, let the states sort it out, and never allow Trump to be held accountable. In recent months, Americans have watched Trump refusing to wear a mask, pressuring White House staff to do the same, and holding maskless rallies in defiance of state and local laws. Even after testing positive for the coronavirus, Trump has behaved carelessly, essentially ignoring the possibility that he might infect others with a deadly disease.

Throughout the pandemic, Trump's refusal of responsibility has mirrored that of Putin. In July, for example, Putin—whose inner circle was deeply implicated in the Panama Papers—showed up conspicuously maskless to vote at a Moscow polling place where everyone else wore a face covering. But the norms of the offshore world don't stay offshore, and flouting public-health rules that apply to everyone else is a leader's prerogative.

The kind of elite activity exposed in the offshore leaks turned out to be an accurate foreshadowing of Trump's behavior in office, including his recent use of professionals in the Departments of Justice, Commerce, and the Treasury to facilitate his disregard for rules and institutions. But after it became clear that no real consequences would result from the revelations of mass elite impunity, it became virtually inevitable that the offshore approach to the law—that it should apply more lightly, if at all, to the powerful—would wash ashore at home.

Elite exceptionalism has always been the animating principle of the offshore world, as my research and that of other social scientists has documented. But until recently, overt proclamations of impunity were rare onshore. The price of social and political prominence onshore included the obligation to simulate respect for ideals such as the common good and equality before the law.

Trump's entire candidacy and presidency have been based on a flamboyant, gleeful refusal of that traditional bargain. Such performative displays of impunity represent the victory laps of an elite insurgency that began decades ago and grew unchecked offshore. Trump has merely run the American portion of a circuit that spans the globe.

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