

Editorial: Obscene disparities in wealth are increasing

Capitalism is based on greed

October 27 2017

Newly-published data reveals that the combined wealth of the super-rich, the world's billionaires, has increased to more than £4.5 trillion. This is an increase of around 17 per cent compared to last year. There are now 1,550 dollar-billionaires in the world, a rise of 145. All this is according to the [UBS/PwC Billionaires report](#).

The lead author of the report noted the "concern" of some of his rich clients about the increasing disparities of wealth in society. Would the growing gulf between rich and poor lead to some political reaction, they wonder? "The question is", he asked, "to what extent is that [disparity] sustainable and at what point will society intervene and strike back?" (*Guardian*, October 27). The report noted, apologetically, that many of the world's billionaires are spreading their wealth out, through "philanthropic" ventures, like museums, art galleries and by buying sports teams.

"The billionaire population is concerned about [inequality] and that may be why we are seeing this acceleration of publicly displaying art collections or partnering with public institutions so more of the public can enjoy what they have," said the 'head of private wealth management' at UBS.

What the UBS report fails to mention, of course, is that the decline in health, education and welfare for the masses – and the *need* for charity in the first place - is predicated precisely on the colossal *tax-dodging* accomplished by these same billionaire "philanthropists". Even the International Monetary Fund recently complained about wealth disparity and suggested – guardedly, as one would expect of the international bosses' bank – that western governments should force the top 1% of earners to pay more tax to try to reduce "dangerous" levels of inequality.

The billionaires in the United States, for example, who control something like \$2.8 trillion, are today rubbing their hands with glee at the prospect of even more massive tax cuts by the Trump administration – cuts that will impoverish tens of millions, while the billionaire-class pile it up ever higher.

The enormous disparity in wealth and income has been highlighted on many occasions by the charity, Oxfam. They have pointed out, for example, that the richest *eight* billionaires have as much wealth as the poorest 3.6bn on the planet – half of the world's population. According to Oxfam, in 2015 the world's richest one percent – those the IMF believe should be taxed a little – had a share of global wealth more than the other 99 percent combined. Even these appalling figures are likely to be out of date.

What is life like for the 'other half' of the world's population? No gold-plated Porsches for them. Half of the world's population lives on less than \$2.50 a day. Raising the bar slightly to a level still considered extremely poor in Europe and north America – those living on less than \$10 a day – we still have *four fifths* of the global population. Even today in the

twenty-first century, when there are almost daily 'miraculous' advances in science and technology, one in seven human beings do not even have access to clean water. Over 22,000 children die *every day*, as a direct result of poverty.

The obscene wealth of the modern rich and super-rich is a perpetual insult to the overwhelming majority of the world's population who are struggling, day by day and month by month, just to get by, and often failing. By any standard of morality and decency, these multi-millionaires and billionaires are *criminals*. But we must never lose sight of the fact that it is *their system* which is fundamentally at fault. The two great barriers holding back the human race from peace and undreamt-of plenty are the nation-state and private ownership of the means of production, distribution and exchange.

The problem is not just that there are fifteen hundred billionaires with such fabulous wealth. It is that the capitalist system upon which they rest is based on greed, profit and exploitation and not in the slightest on rational planning for human need. Important life-changing decisions are made every day for the benefit of a tiny handful, whatever the consequences might be for other billions. The planet is poisoned and its resources vandalized, not by virtue of a 'plan' but because decision on oil, energy, are made to make someone, somewhere a profit in the shortest-possible time. Decisions on health, education, welfare and housing are similarly based only on what is profitable in the market.

Socialism will mean the appropriation of the wealth of the tiny handful of billionaires who squeeze a living out of millions of others. But, more than anything, it will mean the use of all the planet's resources, including the skills and ingenuity of its human population, *in planned and rational manner*. It will not be the 'market', greed and profit that will determine what is made, sold and distributed, but a rational and democratic *plan*.

The world's fifteen hundred billionaires are right to feel "concerned" about public perceptions of their wealth, power and influence, because after all, their days are numbered. In due course, there *will* be a "reaction" and it will not one that they find agreeable.