Forbes report: Billionaires' wealth grew by 36 percent in last year

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While at least a billion people on the planet subsist on the equivalent of a dollar a day or less, the concentration of wealth among a handful of people at the top has set new records. In its current issue, *Forbes* magazine lists a record 587 individuals and family units worth $1 billion or more, an increase from 476 in 2003. The combined wealth of this year's billionaires also reached record levels—a staggering $1.9 trillion, an increase of $500 billion in just one year, due largely to resurging stock prices over the last 12 months.

The wealth of these few hundred people exceeds the gross domestic product of the world's 170 poorest countries combined, and equals nearly 4 percent of the annual production of the entire world.

Leading the pack, as he has the last 10 years, is Microsoft co-founder Bill Gates at $46.6 billion. His wealth is up 14.5 percent over last year, but still well off his 1999 peak of $90 billion, before the dot.com bubble burst. Besides his interest in Microsoft, Gates owns substantial pieces of Comcast and Cox cable companies, Canadian National Railway, and the waste disposal giant Republic Services.

Number two on the list is investor Warren Buffett, whose net worth is estimated at $42.9 billion, a whopping $12.4 billion increase in just one year. Through his investment vehicle Berkshire Hathaway, whose stock price has gone up 50 percent over the last year, Buffett owns Geico and General Re insurance companies, as well as sizeable stakes in Coca-Cola, American Express, Gillette, and Wells Fargo, among others.

Dropping down to number three at $23 billion is the retired German supermarket magnate Karl Albrecht, followed at $21.5 billion by Saudi Arabia's crown prince Alwaleed Bin Talal Alsaud (who owns a $10 billion investment in Citigroup). Fifth is Microsoft co-founder Paul Allen at $21 billion. Rounding out the top 10 are the widow and each of the four children of Wal-Mart founder Sam Walton, worth an estimated $20 billion apiece, based on the 38 percent stake they share in the discount retailer that has grown to be the world's largest company in terms of sales.

Not surprisingly, New York City boasts the largest concentration of the mega-rich, with 31 billionaires residing in the city and nine more living nearby. The second-largest concentration is now found in Moscow, where eight new members joined the elite club this year, bringing the total there to 23. Hong Kong follows with 16, and San Francisco boasts 11. Paris, Los Angeles and Tokyo have 10 each. London trails with nine.

Nearly half of the world's billionaires live in the United States. These 275 people have a combined net worth of $909 billion. Germany is second, with 42 billionaires worth $158 billion.

One of the new faces on the list is author J.K. Rowling, whose five Harry Potter novels have sold 250 million copies and spawned two successful movies. She has attracted considerable media attention for rising from welfare mother to billionaire.

Far from being proof that anyone can get ahead with a combination of talent, luck and hard work, Rowling's story stands out as an exception that confirms the rule. The one or two others on the list who parlayed talent into a mega-fortune, such as Oprah Winfrey and Cirque du Soleil founder Guy Laliberté, built up huge business empires around their ability to entertain, and it was through their control of these entertainment conglomerates that they became rich.

While most of the billionaires are listed as "self-made," as opposed to inheriting their wealth, what this signifies is their ruthless approach to exploiting their workers and wiping out the competition, as in the case of Wal-Mart founder Sam Walton. In the case of the new Russian capitalists, it speaks of their willingness to contract out executions of their rivals as well as political opponents.

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Many of the same faces show up on the list year in and year out, demonstrating the monopoly position that those who acquire great wealth enjoy. Some of these individuals deserve specific comment.

One of New York City's wealthiest residents is its mayor, Michael Bloomberg, whose net worth of $4.9 billion makes him the world's 85th-richest person. Another name of political note is Thomas Frist, Jr. and family, worth $1.7 billion. In 1968, Frist founded the Hospital Corporation of America, which he turned into the largest for-profit hospital chain in the country. His son William is the Republican majority leader of the US Senate. He played a key role in the passage of the recent Medicare bill, which will line his family's pockets even more at the expense of taxpayers.

Besides the Saudi crown prince already mentioned, three other oil sheikhs are high on the list—the president of the United Arab Emirates at $20 billion, the sultan of Brunei at $14.3 billion, and the crown prince of Dubai at $10 billion. The other royal billionaire is Hans Adam II, the prince of Lichtenstein, worth $2.2 billion.

The personal fortune of Queen Elizabeth II of England is shown at $660 million, only because the royal family's vast palaces and other properties are counted as owned by the British people.

Silvio Berlusconi, the prime minister of Italy, is worth $10 billion (number 30 on the list), while Thaksin Shinawatra, the prime minister of Thailand, and his family are worth $1.4 billion.

While the rich continue to accumulate wealth for themselves, millions upon millions of people around the world are trying to survive under conditions of unspeakable degradation. A 1998 United Nations report estimated that basic health and nutrional needs in all "developing" countries combined could be satisfied with an additional expenditure of $13 billion annually. Even taking inflation into account, this amount would represent less than one percent of the wealth of the world's billionaires.

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