

Christmas all year round for Britain's super-rich

Simon Wheelan
30 December 2004

Christmas may come but once a year, but Britain's super-rich enjoy goodwill all year round courtesy of the Labour government.

Research by the Office of National Statistics (ONS) reveals that almost 600,000 individuals, the richest 1 percent, have doubled their wealth since Prime Minister Tony Blair came to power. In 1996—the last full year of John Major's Conservative government—the top 1 percent owned assets worth £355 billion. In just six years, they doubled their assets to £797 billion in 2002.

The ONS report—entitled “Focus on Social Inequalities”—describes the different experiences of social groups in the UK today in six key areas: education, work, income, living standards, health and participation.

Its findings show how the Blair government has enabled the elite to gorge themselves at the expense of working people.

Each individual in the top 1 percent was on average almost three quarters of a million pounds (£737,000) better off under Labour. A not inconsiderable proportion of this increase is due to the burgeoning property market, especially in London's rich enclaves. But the vast majority of the booty is down to increased business profitability.

Society has become more polarised. The top 1 percent have increased their share of the national wealth from 20 percent to 23 percent in just six years, while the poorest 50 percent saw their collective wealth shrink from 10 percent in 1986 to 7 percent in 1996, and then down to 5 percent in 2002.

Penny Babb, editor of the ONS report, said the figures showed that the income gap between the high and low earners was widening. Since the mid-1990s, the incomes of the poorest and the richest 10 percent of the population have grown at approximately the same

rate—by one fifth. But how this growth translates in practise reveals growing disparities. Growth by one fifth for the top 10 percent, for example, means an extra £119 per week, but only £28 per week for the bottom 10 percent. As a point of comparison, the weekly extra £119 enjoyed by the rich is £8 pounds more than unemployed adults receive in Job Seekers Allowance to support themselves for a fortnight.

The report also reveals further inequalities. On education, the ONS research points out that parental and family circumstances affect GCSE attainment (general school leaving examinations taken at 16 years of age). For example, the study points out that whilst the GCSE results of children from the poorest working class homes have ostensibly improved since 1998, 44 percent fewer of them get five good passes compared with the children of professional parents. In 2002, 87 percent of 16-year-olds with parents in higher professional occupations were in full-time education, compared to just 60 percent of children whose parents, in the words of the ONS, are in “routine occupations.”

The average gross weekly income of full-time employees with a university degree was £632 in the spring of 2003. Those without educational qualifications earned less than half that amount—an average of just £298. Even amongst those with a university degree qualification, 10 percent were out of work in the spring of 2003. Amongst those without any educational qualifications, however, 50 percent were without employment.

The gap in life expectancy has also widened further between social classes. For the period 1997-1999, life expectancy at birth in England and Wales for male professionals was 7.4 years longer than for men who perform unskilled manual employment

Male life expectancy at birth in 1999-2001 in

Glasgow City was 69 years, compared with 79 years in North Dorset.

Differing rates of infant mortality, poor health and long-term illness run parallel with social class inequalities.

Basic modern conveniences like clothes washers, cookers and televisions have become more accessible, but access to a home computer, the internet and automobiles is still heavily skewed along class lines. In 2001-2002, 86 percent of households in the highest income bracket had access to a home computer—almost six times the figure for the lowest income group. The gap was even wider for internet access. In 2002, almost 60 percent of people in the lowest income quintile did not have access to a car. This is eight times the equivalent figure for the top income quintile group.

British children are at a greater risk of living in low-income households than the population at large. In 2002-2003, approximately one in five children were living in low-income households. If the number of children living in families dependent upon low-paid work and government welfare—the combination of which means that they are just above the official poverty rate—were included, the figure would rise to one in three.

This explosive growth of inequality barely received a mention in the press. The *Guardian* hid the report's findings away on page 9 and failed to follow up the article with an editorial comment. Imagine the headlines, the clamour for economic deregulation and welfare retrenchment, if the wealth of the super-rich had halved over the last six years rather than doubled. The lifestyles of the rich and famous are plastered across the billboards and television schedules, while the daily struggle to make ends meet experienced by the majority of the population finds little or no media attention.



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact