The dysfunctional society: US billionaires on the rise—roads, bridges in decay

Jamie Chapman, Kate Randall
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Two recent reports cast light on the impact of growing social inequality in the US. The first, the annual inventory of the very rich compiled this month by the business magazine *Forbes*, tracks the wealth of the world's billionaires, and their increasing numbers in the US. The second is the "report card" issued by the American Society of Civil Engineers (ASCE) on the state of the infrastructure in the United States.

Together these studies provide a devastating exposure of the price being paid—in the form of basic necessities of daily life—for the ongoing process of diverting ever-greater sums of the national wealth into the personal investments portfolios and bank accounts of the super-rich in America.

Forbes reports that the world's billionaires counted 691 among their number in 2005, an increase of over 100 in just a year's time. The aggregate wealth of this handful of men and women reached $2.2 trillion, an increase of $300 billion in just one year. On average, the net worth of each is nearly $3.2 billion.

More than half of these billionaires—341—are in the US, a jump of 69 over last year. But while the ranks, and personal fortunes, of these super-rich has risen, there has been a corresponding deterioration of the basic infrastructure relied upon by ordinary Americans in their everyday life—roads, railroads, public schools, and other basic necessities. In many cases, these structures are literally crumbling.

The US billionaires' club this year has some familiar faces and some new ones, and the amounts pulled in by its members are staggering. Thirteen of the top 25 billionaires in the world are US citizens. New York City and its suburbs remain their residence of choice, boasting 44 of them.

Perennial leader of the pack is Microsoft co-founder Bill Gates, whose fortune last year held virtually steady at $46.5 billion. Not far behind is the American investment guru Warren Buffett, at $44 billion.

Only one of the heirs to Sam Walton of Wal-Mart fame, eldest son Robson, made the top 10 this year, at $18.3 billion. Last year his widow and three other children also ranked among the 10 wealthiest, but a drop in the company's stock reduced the others' fortunes to around a mere $18 billion each.

The *Forbes* report provides a glimpse not only of the obscene amounts of wealth accumulated by these individuals, but of the property and personal possessions they have amassed along the way as an essential component of their extravagant lifestyles.

One of the individuals featured in *Forbes* is Las Vegas casino owner Sheldon Adelson, who at $15 billion is the 19th richest person in the world. He recently opened up shop in the former Portuguese colony of Macau, which reverted to Chinese control in 1999. Cultivating connections with the Stalinist apparatchiks, Adelson has won approval to build a $6 billion casino, hotel and convention center complex on prime island real estate there. Last year Adelson increased his net worth at an average rate of $1.6 million every hour!

The richest new member of the billionaires' club is Texas natural gas tycoon Dan Duncan, who debuted on the list at number 93 with $5.1 billion. He ranks just ahead of New York City Mayor Michael Bloomberg, with $5 billion.

Oracle's Larry Ellison has a 450-foot yacht on order for $250 million. He will then beat out another Microsoft co-founder, Paul Allen, as the owner of the world's biggest yacht, now the 414-foot *Octopus*.

In contrast to this glowing picture of prosperity provided by *Forbes*, the American Society of Civil Engineers' "report card" delivers a just-above-failing

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grade on the state of the infrastructure in the United States. Overall the ASCE assigns a grade of "D," a slight drop from the "D-plus" it awarded when it last issued a report in 2001.

The report examines 12 categories of infrastructure, including roadways, bridges, dams, drinking water, wastewater treatment, railroads, navigable waterways, public school facilities and the power grid. The authors state that a total investment of $1.6 trillion (not counting needs to upgrade for recent security concerns) over the next five years will be required to bring the US up to minimum standards.

In a statement introducing the report, ASCE President William Henry explained, "Americans are spending more time stuck in traffic and less time at home with their families."

The advisory council of 24 civil engineers which prepared the report found that the average American spent a full week stuck in traffic on overcrowded roads and waiting out long construction delays. Drivers in Kansas City are estimated to spend $500 a year in time and extra gasoline. In Los Angeles, the cost shoots up to $1,660 year. Motorists also spend some $54 billion a year—$275 apiece—in repair and operating costs from driving on roads full of potholes.

The US rail network has not kept up with demand either. Besides being more expensive, shipping by truck adds to highway congestion and road maintenance costs. ASCE estimates that up to $195 billion in investments will be required over the next 20 years to maintain the current share of freight shipped by rail and to allow for anticipated increases in volume.

Passenger rail service fares no better. The heavily used Amtrak Northeast Corridor line will have to be shut down within two years if three bridges are not repaired. In New York City the heavily traveled East Side subway line was shut down no less than three times in a single day this month due to separate power failures. The next day another line was closed while workers investigated smoke in one of the system's old, narrow tunnels.

With the current state of disrepair, the condition of infrastructure is also matter of life and death, not just inconvenience and economics.

In July 2004, a slab falling off a deteriorated bridge in New York City critically injured a motorist on the parkway below. More than one in four highway bridges are now considered structurally deficient or functionally obsolete.

The number of dams rated unsafe has risen to 3,500, and there were 29 dam failures in the United States in the past two years. In March 2004, the Big Bay Lake Dam in Mississippi failed, destroying 100 homes.

The nation's wastewater systems are also sorely in need of repair. Eight hundred fifty billion gallons of raw sewage are released annually into rivers, streams, lakes and oceans. In Pima County, Arizona, a sewer line break in 2002 forced 90 homes to be evacuated and closed part of a busy street for six weeks.

As for drinking water, each day 6 billion gallons of treated water disappears due to leaky pipes and old water mains. A break in a 40-year-old main in Northbrook, Illinois, left the town without drinking water for 15 hours. Federal expenditures on treatment plants for fiscal year 2006 will equal less than 10 percent of the annual demand.

As the ASCE president summarized in his statement, "We need to establish a comprehensive, long-term infrastructure plan as opposed to our current 'patch and pray' method." But any such systematic approach to tackling infrastructure or any other societal problem is inconceivable under capitalism in decay, when the only concern of those wielding the levers of industry is how to exploit the vast majority while pampering themselves endlessly.

The burgeoning ranks and fortunes of the US billionaires come under conditions where the social infrastructure of society is under relenting attack from corporate America, the Bush administration and Congress, in the form of job cuts, attacks on health care, pensions and education. This is coupled with growing rates of personal indebtedness and bankruptcies for working families.

The degree of waste and squandering of vital resources by the super-elite personified by the *Forbes* billionaires—and the protection of their right to do so by the political establishment, including both big business parties—is an indictment of the profit system.

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