

Sunday Times rich list: “Astonishing year” for Britain’s most wealthy

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The annual rich list published by the *Sunday Times* has revealed a staggering rise in wealth for Britain’s super-rich.

The headline story, made public a week prior to the release of the list on May 18, was that the number of billionaires in Britain had surpassed 100 for the first time. With a total of 104 billionaires, Britain has witnessed the emergence of more than 20 new billionaires over the past year and has the highest concentration of billionaires of any country.

In its entirety, the list reveals that the richest 1,000 people in Britain possess combined wealth of £519 billion, equivalent to a one third of the country’s GDP. This is a rise of 15.4 percent from the 2013 list, when the super-rich held total wealth of £449 billion. Since 2008, the year of the global financial crisis and the implementation of a multi-billion-pound bailout of the banks, the wealth of the super-rich in the UK has doubled.

As well as being the product of speculation and outright criminality, the rapid rise of such obscene levels of wealth over the past five years confirms the true purpose of the austerity policies of successive governments since the financial crisis. While for the vast majority the near collapse of the financial system has meant the deepest assault on living standards, jobs and public services since the Second World War, an oligarchy has gorged itself on state sponsored bailouts to enrich themselves to a degree without precedent.

The wealth required to be even considered for the list, £85 million, was more than that at the peak of the pre-crisis boom in 2008, when the figure was £80 million. A place in the top 500 could only be secured with total wealth of £190 million, more than double the £80 million in 2004 and almost 20 percent more than the £160 million in 2013.

London, one of the world’s leading centres of financial swindling, has established itself as a global destination of choice for the oligarchy, with 72 billionaires residing there. This is more than double the total of British-based billionaires from just 10 years ago. But the explosion in wealth is not confined to the capital. In Scotland, the richest 100 people saw their combined riches rise by 19 percent in the past year to top £25 billion.

The vast accumulation of wealth at the pinnacle of society was further illustrated by government figures released just days before the rich list.

According to the Office of National Statistics, the top 1 percent of Britain’s population now controls more wealth than the bottom 55 percent, i.e., the richest 600,000 individuals possess more wealth than the poorest 33 million. Another report from the charity Oxfam revealed that just five billionaire families controlled more wealth than the bottom 20 percent of the population.

The concentration of wealth in a few hands contrasts ever more horrifically with worsening impoverishment for a growing proportion of the population. A report released by the European Union statistics agency Eurostat earlier this month revealed four poverty black spots in Britain where the standard of living was comparable to or worse than areas of the eastern European countries Lithuania, Poland and Hungary. According to the report, poverty-stricken areas such as Cornwall and the Welsh valleys have average annual incomes of just £14,300.

A letter signed by 170 medical professionals in the *Lancet* compared the living conditions and diets of many with the Victorian era. “The spectre of Oliver Twist is back. Children are going hungry in the UK: they may not be eating gruel but their parents are

having to choose cheap food that is filling but not nutritious,” the letter stated. One of the letter’s authors, Professor John Ashton, described the situation as “a public health emergency.”

Even Phillip Beresford, who has worked to compile the rich list since its inception in 1989, was somewhat taken aback by the rapidity with which the wealth of the super-rich had expanded over the past year. He commented, “I’ve never seen such a phenomenal rise in personal wealth as the growth in the fortunes of Britain’s richest 1,000 people over the past year.” He added, “The richest people in Britain have had an astonishing year. While some may criticise them, many of these people are at the heart of the economy and their success brings more jobs and more wealth for the country.”

It is a measure of the control enjoyed by such fabulously wealthy layers, and the utter subservience of the press to them, that Beresford’s outrageous remarks were reported in the media with virtually no comment. The classic Thatcherite “trickle down” theory is still treated as if it were a self-evident truth by a ruling elite desperate to find justifications for its crumbling social order, even after it has been wholly refuted by actual events.

Typical was the reaction of the *Times*, which remarked in an editorial that tens of thousands should seek to emulate the rich list 1,000. “Britain needs to be seen as a place where success is applauded,” the paper intoned.

The reality is that the vast wealth of the oligarchy is accumulated at the direct expense of the rest of society in the form of savage wage cuts, the decimation of public services, shifting the tax burden onto working people and handing over billions to the banks.

The vast quantities of wealth hoarded by the super-rich have been invested in the financial sector and property. On the same day the rich list was released, an interview with the Bank of England governor, Mark Carney, was cited by a number of newspapers. In it, he warned about the danger of exploding property prices, particularly in London where they have risen by 25 percent since 2008 due to speculative investment.

Labour made some timid criticism of the list, with shadow treasury secretary Chris Leslie commenting, “No wonder the super-rich have got much richer over the last year when David Cameron has given

millionaires a huge tax cut.” He claimed that “Labour is determined to ensure all working people feel the benefit of economic growth, not just a few at the top.”

While the Conservative-Liberal Democrat decision to cut the top income tax rate was undoubtedly a handout to the wealthy, to claim that a reduction in the top rate of tax from 50 to 45 percent can account for such astronomical increases in wealth is a fraud. The reality is that the multi-billion bailout of the banks, initiated by Labour in 2008, and the policies which have followed—including the Bank of England’s quantitative easing and the cuts to public services—have resulted in billions of pounds flowing into the coffers of Britain’s super-rich. Labour intends to continue with these austerity measures if it takes power after next year’s election, as it seeks to defend the interests of Britain’s modern-day aristocracy.



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