

Wealth of America's super-rich grows to \$2.34 trillion

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The wealth of the 400 richest Americans continues to soar, according to the results of the new Forbes 400 list, published annually by the business magazine of the same name. At \$2.34 trillion, the total net worth for the multi-billionaires on the list set new records, displacing last year's all-time high of \$2.29 trillion.

In 2009, the total net worth of the Forbes 400 was \$1.27 trillion. Today, nearly six years into the so-called economic "recovery" fostered by the Obama administration, the wealthiest Americans have nearly doubled their hoard. The total wealth of the richest 400 Americans managed to reach new heights even while financial markets have been roiled by tumultuous swings.

The *Forbes* report notes that in 2015, "It was harder than ever to join the 400. The price of entry this year was \$1.7 billion, the highest it's been in the 33 years that Forbes has tracked American wealth." *Forbes* makes note that the wealth threshold was so high this year that 145 billionaires failed to make the list.

While a majority of billionaires have prospered, their wealth underwritten by the massive government bailouts of financial institutions and near-zero interest rates from the Federal Reserve, a significant fraction of the wealthy elite have lost ground in the turbulent stock markets of recent months.

The ratio of winners and losers among the billionaires was ten to one last year, but this year was much closer to 50-50. *Forbes* noted that the top three position-holders on the list, Microsoft's Bill Gates, Berkshire Hathaway's Warren Buffett and Oracle's Larry Ellison, each saw a drop in their total net worth of at least 5 percent in the last year. This did nothing to threaten the position of Gates, number one at \$76 billion, or Buffett, number two at \$62 billion, but Ellison's third-place position, with \$47.5 billion, left

him "only" \$500 million ahead of the fourth-place multi-billionaire, Jeff Bezos of Amazon.com.

The majority of those on the Forbes list were associated with some form of financial speculation, or with computer software and the Internet. According to the industry breakdown supplied by Forbes, its 400 include 126 engaged in investment, real estate and finance, 81 from computer technology and media, 36 from food and beverage, 32 from retail and fashion (including five members of the Walton family, owners of Wal-Mart), 31 from oil & gas, 20 from health care, 19 from miscellaneous services (including six members of the Pritzker family, owners of Hyatt Hotels), and 19 from sports and gaming.

This left only 35 listed as making their fortunes in manufacturing, automotive, construction, and logistics. The largest manufacturing fortune is the \$7.4 billion of Harold Kohler, whose company makes toilets and other plumbing fixtures. Perhaps that is symbolic, given the state of manufacturing in the United States, once the world leader in industry, but no longer.

The growth of financial parasitism has underwritten the wealth of many on the Forbes 400. In 1982, the first Forbes 400 list saw figures directly involved in finance making up only 4.4 percent of the total wealth on the list. As of today, this group now makes up more than 21 percent of billionaires on the list.

Former Microsoft chairman Bill Gates, who has held the number one spot on the Forbes 400 for 22 years, has less than 13 percent of his fortune in stock in the company he founded. According to *Forbes*, the majority of Gates' wealth is bound up in Cascade, the software mogul's investment firm, which specializes in "investing in stocks, bonds, private equity and real estate."

Besides the well-known super-rich of Silicon Valley

like Google's Larry Page and Sergey Brin (with \$33.3 billion and \$32.6 billion, respectively) and Mark Zuckerberg, founder of the social media web site Facebook, the seventh wealthiest man in America with \$40.3 billion in total assets, there are numerous other newly minted Internet billionaires, including the owners and co-owners of Uber, Airbnb, WhatsApp, LinkedIn, Twitter, SnapChat, GoPro and GoDaddy.com.

Jeffrey Bezos, owner of the online retailer Amazon, saw the largest gain in wealth for the year, making \$16 billion in 2015, placing his total net worth at \$47 billion and catapulting him to fourth place. Nearly half of Bezos' gains came within a single day last July, when his company announced gains in the second quarter, leading to a speculative frenzy which bid up stock values for Amazon by over 18 percent.

Amazon became a byword this year for savage treatment of employees. Bezos joins several others in the top 15 notorious for low-wage exploitation, including four heirs to the Wal-Mart retail empire, James, Alice, Christy and Samuel Robson Walton, and Phil Knight, chairman of Nike Inc., whose \$24.4 billion fortune is extracted from his international network of sports apparel-producing sweatshops.

While safeguarding the ill-gotten wealth of the Forbes billionaires remains an ironclad principle of both the Republican and Democratic parties, working people throughout the US continue to suffer the brunt of attacks on their living standards. A US Census report released earlier this month shows that 14.8 percent of the US population lives in poverty; a figure that is unchanged from a year earlier. The Census findings show that 6.6 percent of the population lives in "deep poverty," or less than half of the already unrealistically low official poverty line in the US.



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