

UK rich just keep getting richer

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The annual *Sunday Times* Rich List has noted that 120 billionaires listed in the UK monopolise £325.1 billion in wealth and assets, a 5.79 percent increase on last year. The fortunes accrued by the 120 account for 60 percent of the wealth of the 1,000 richest people in Britain and Northern Ireland.

The newspaper's estimate of the wealth of the top 1,000 doesn't begin to provide the full picture. It is only an estimate of the value of the known assets of the UK's super-rich, and does not include bank accounts to which the newspaper has no access. Listed assets, such as those documented in the Rich List, are just the tip of the iceberg. Beneath the surface, *real* wealth is hidden from sight in private banks and myriad offshore arrangements.

This is the first Rich List made available since the revelations exposed by the Panama Papers. These leaks, detailing over 200,000 offshore companies listed by the Panamanian law firm Mossack Fonseca, provided a glimpse into the shady world of tax avoidance by the world's elite. They detailed the criminal practices involved in the global financial oligarchy's financial affairs, with substantial evidence of the funnelling of huge amounts of money offshore.

The Panama Papers revealed that London was the centre of an international web of financial corruption. More than half of the 300,000 firms listed as Mossack Fonseca clients were registered in British-administered tax havens or in the UK itself. Britain is second only to Hong Kong in a list of international jurisdictions where the most banks, law firms and middlemen associated with the law firm formally operate.

The *Sunday Times* list is only one estimate of the wealth of the financial elite. It puts the number of billionaires in the UK at 120, with 77 of them residing within London. However, the successful Labour London mayoral candidate Sadiq Khan spoke ad nauseam during his campaign of his pride at there being

140 billionaires living in the capital. This is the estimate of Beauchamp Estates "Ultra Prime market" survey and was also highlighted by the *Daily Mail* recently, as it crowed about London having more billionaires than any other city in the world—replete with banks of photos showing their palatial homes.

Much of the income on the Rich List is derived parasitically from the financial markets, without any connection to material production.

Over recent decades, extensive attacks upon public services in Britain have reduced services to a minimum while the population have been told that there is no money. Yet simultaneously fantastic amounts of money, sums easily capable of paying for entire annual social service budgets, are secretly squirreled away with zero contribution made to the public purse.

The French novelist Honore de Balzac was never more correct as when he suggested, "Behind every great fortune lies a great crime."

This year the *Sunday Times* pointed to the "crisis in the steel industry, plunging oil prices and a retail slump" that has "turned some of Britain's biggest winners into losers."

But while there was a fall in the wealth of some of the super-rich who derive their income from industrial production and the sale of commodities, overall the 1,000 wealthiest people in Britain are worth a combined £576 billion. This is an increase of £28.5 billion on last year, amounting to an increase of £901 every second.

Among the "causalities," as the newspaper views them, is Lakshmi Mittal, whose wealth originates in the global steel industry. Despite losing an estimated £2 billion in the last year, he stands at number seven on the rich list with £7.12 billion. The Mittal family are hardly on their uppers and occupy three separate properties, in London's Kensington Palace Gardens, costing a collective £300 million.

Top of the 0.001 percent of society this year are the Reuben brothers, David and Simon, with £13.1 billion—up an incredible £3.4 billion from last year. The Indian born brothers made their initial wealth, like others in the upper echelons of the Rich List, as a result of capitalist restoration in the former Soviet Union. They muscled their way into the Russian aluminium industry and made their first billion.

Others charting high who made their seed money in the criminal carve-up of the state assets of the former Soviet Union include Lev Blavatnik, £11.59 billion, with substantial holdings in coal, aluminium and petrochemicals.

Alisher Usmanov, £7.85 billion, like Blavatnik Ukrainian by birth, made his money in steel and iron ore mines. He is the largest shareholder in the London Premier League soccer team, Arsenal. He resides in London's One Hyde Park, the world's most expensive apartment block. He paid a staggering £140 million for a penthouse there, but likes to escape to Sutton Place, the Surrey manor house that previously belonged to the oil tycoon John Paul Getty. Blavatnik lives at one of the mansions on Kensington Palace Gardens that he purchased for £41 million in 2004.

After raking in a fortune alongside the Stalinists and gangsters who liquidated the Soviet Union, the Reuben brothers returned to London in 2000, smelling an opportunity to bolster their wealth further by playing the super-rich version of Monopoly. In the capital, they proceeded to buy up a substantial portfolio of expensive buildings in London's West End. Their wealth has skyrocketed, increasing by almost £3.5 billion in the last year alone, because of burgeoning property values at the top end of the London property market. The brothers own London Oxford Airport and London Heliport, and are major investors in Belmond Hotels and Metro Bank. Other properties include Millbank Tower, Connaught House in Berkeley Square and the former In & Out Naval and Military Club building in Piccadilly.

The Reubens plan to transform the former Gentlemen's Club into a 48-room luxury home. The *Sunday Times* reported they expect to place it on the exclusive market for an amount in excess of £500 million. The development of gratuitously large homes costing hundreds of millions of pounds in London is a prominent feature of the contemporary London housing

market.

Apparently aghast at the relatively small size of London's mansions in comparison to cheaper cities around the world, the international rich are buying up already opulent and grand homes and extending them into palatial urban castles equipped with 21st century security "ramparts." This process includes buying up whole terraces of grand properties and merging them into 'trophy mansions.'

Two years ago, the Beauchamp Estates estimated that their average price in Mayfair was £321 million and £17.6 million in St. John's Wood.

In the last few years more than half a million working class Londoners have been forced out of the capital due to a huge increase in the cost of rent.

The gulf between the world's billionaires and the rest of the world's population is unbridgeable. According to business solutions company Expert Market, it would take a British worker employed on an average wage of £15.01 an hour and working 40 hours a week more than 348,000 years to match the fortune of the London-based brothers, Srichand and Gopichan Hinduja, who have amassed £10 billion in net wealth.



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