Three billionaires are wealthier than half the US population

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According to a report published Wednesday by the Institute for Policy Studies, the three richest Americans—Jeff Bezos, Bill Gates, and Warren Buffett—now own more wealth than the poorest half of the US population, some 160 million people.

America's "60 families," whose massive wealth was documented in journalist Ferdinand Lundberg's 1937 exposure, have been replaced by just three billionaires whose combined wealth is over $264 billion.

The Institute for Policy Studies report, "Billionaire Bonanza: The Forbes 400 and the rest of us," reveals that the richest 25 Americans are wealthier than the bottom 56 percent of the US. The net worth of the 400 richest is roughly equal to that of the bottom two thirds of the country, a total of 200 million people. According to the report's authors, the US has become "a hereditary aristocracy of wealth and power."

The unprecedented concentration of wealth is an international phenomenon. Oxfam reported in January 2017 that the world's eight richest people own as much as the poorest half of the world's population, down from 80 people in 2015. Today, each of the top 5 billionaires owns as much as 750 million people, more than the total population of Latin America and double the population of the US.

The IPS report explains that the US data "*underestimate[s]* our current levels of wealth concentration" because "the growing use of offshore tax havens and legal trusts has made the concealing of assets more widespread than ever before." A 2017 report published by Alstadsaeter, Johannesen, and Zucman titled "Who owns the wealth in tax havens?" estimates that the world's superrich have between $5.7 and $32 *trillion* hidden from taxation or statistical analysis.

While the superrich dominate the commanding heights, the bottom 90 percent face hardship and crisis that vary only in terms of immediacy. The IPS report measures the net worth of working class families by subtracting the value of durable goods like automobiles, household appliances and furniture. According to its estimate, over 19 percent of US households—roughly 60 million people—have "zero or negative net worth" when durable goods are subtracted.

Beyond the poorest 20 percent, the report explains, "even those low- and middle-income families who *do* have some wealth often don't have any liquid assets—cash or savings—at their disposal. Over 60 percent of Americans report not having enough savings to cover a $500 emergency."

Even above the roughly 200 million people with nothing saved, conditions for the 60th to 90th percentile are similarly difficult. The bulk of this section of the working class's net worth derives from housing equity, and when this is subtracted, most lack enough to survive through a few years of retirement. According to a recent study of Census data by the Economic Policy Institute, retirement account savings have plummeted in recent years among all age groups.

The IPS report is based on data from the US Federal Reserve's Survey of Consumer Finances, which the *World Socialist Web Site* analyzed in detail last month. While the extremely wealthy have accumulated vast sums of wealth, a broader layer, comprising the top 10 percent, has also greatly enriched itself in recent years at the expense of the working masses. The richest 10 percent of the US—the social and political base for gender and identity politics—owns 77.1 percent of total wealth, while the bottom three quarters owns just 10 percent.

The explosion of social inequality is not an accidental process. It is the product of a decades-long campaign

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by both the Democratic and Republican parties to transfer trillions of dollars from the working class into the pockets of the rich. The “accomplishments” of both parties over the course of the last forty years are a litany of tax cuts for the wealthy, cuts to social programs, the deindustrialization of broad swaths of the Midwest, gutting corporate regulations and spending trillions on imperialist war, state surveillance and mass deportation and incarceration.

The Obama administration marked a milestone in this protracted social counterrevolution defined by the Wall Street bailout of 2008-2009, the restructuring of the auto industry in 2009 and the bankruptcy of Detroit in 2013-14. With the help of the Democratic administration, the ruling elite cashed in on the financial crisis.

As a result, the United States is now an oligarchy. Through its immense wealth and control of the major corporations, the superrich have established total domination over all of the official institutions of political, cultural and intellectual power.

The courts, the congress, and the president not only operate on behalf of competing interests within the aristocracy, they are increasingly personally staffed *by* millionaires and billionaires, as expressed most directly in the figure of Donald Trump. The military wages permanent war across the globe to protect corporate profits. The mainstream media is nothing more than the official propaganda wing of the American oligarchy. The trade unions, in their typically brutish and corrupt form, are paid off by the corporations to police the workers and suppress opposition.

The obsessions and preoccupations of this privileged layer of the population are entirely alien to the concerns of the bottom 90 percent. The cost of health care is skyrocketing; thousands of immigrant families are torn apart each week by deportation; nearly 100 people die each day from opioid abuse; student debt crushes a whole generation; millions remain devastated by floods, fires and hurricanes; entire states have been stripped of women’s health clinics; one veteran commits suicide every 80 minutes; and on and on.

Congress holds no hearings on these subjects. Its calendar is booked full with hearings on alleged Russian interference in US politics and the need to bring social media and tech companies to heel by censoring antiestablishment media. The Democrats and Republicans are working around the clock to reach a deal on a tax bill that will hand over trillions to the wealthy and corporations, with Senate Republicans announcing their version just yesterday.

The astronomical growth of inequality and the absence of any institutional mechanisms by which the population can address its social grievances presages an historic explosion of the class struggle. Strikes and protests involving tens of millions of workers and youth are inevitable, but they must be guided by a socialist program.

The billionaires’ wealth must be expropriated and redistributed to those in need. The corporations through which they derive their riches must be seized, placed under democratic control and reorganized by the workers themselves to serve public need and not private profit.

Companies like Bezos’ Amazon can be used to deliver medicine, food, water and construction equipment to disaster zones and impoverished areas. Gates’ Microsoft software and programming development can be harnessed to introduce an unprecedented degree of social planning into the world economy, allowing for production to be controlled so as to eliminate scarcity of basic resources and reverse environmental degradations. All industries can be made to serve the interests of the human race.

Under socialism, across all industries and in all countries, workers will come together in their workshops, plants and offices to plot a course for wielding the world’s productive forces in pursuit of equality and progress. But the ruling class will not give up its wealth voluntarily. To join the fight for socialism, contact us today.

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