

Wealth of US billionaires soars as pandemic expands, nearly 40 million unemployed

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The coronavirus pandemic continues to exact a devastating toll on the American population. The death toll will surpass 100,000 over the weekend, with nearly 1,300 new deaths recorded yesterday. At the same time, mass unemployment is at levels not seen since the Great Depression, with 40 million filing for unemployment benefits since March.

US billionaires, however, are doing fabulously well. The Institute for Policy Studies and Americans for Tax Fairness reported Thursday that since mid-March, America's billionaires have added \$434 billion to their net worth. Collectively, the richest 630 Americans now control \$3.4 trillion in wealth, a 15 percent increase in two months.

“The top five US billionaires—Jeff Bezos, Bill Gates, Mark Zuckerberg, Warren Buffett and Larry Ellison—saw their wealth grow by a total of \$75.5 billion, or 19 percent,” the report states. “Together they captured 21 percent of the total wealth growth of all 600-plus billionaires in the last two months. The fortunes of [Amazon CEO] Bezos and [Facebook CEO] Zuckerberg together grew by nearly \$60 billion, or 14 percent of the \$434 billion total.”

This rise has been fueled by the implementation of unlimited “quantitative easing” by the Federal Reserve, which is pumping \$80 billion a day into the stock market, and by the \$2.2 trillion CARES Act bailout passed unanimously by the Democrats and Republicans in Congress. The Fed now holds \$7 trillion in assets on its balance sheet and the stock market has almost returned to pre-pandemic levels.

While the oligarchs receive unlimited handouts, the broad mass of the population confronts an earthquake that has triggered a tsunami of social devastation. The official jobless figure of 40 million vastly understates the level of unemployment. Millions of people are

either ineligible for unemployment benefits or have been unable to get through to overwhelmed state systems.

Many of these jobs will never come back. The University of Chicago's Becker Friedman Institute estimates that 42 percent of job losses through April 25 are permanent. This means that 11.6 million people will not be able to go back to work.

“The current crisis may be so severe,” a co-author of the report, Jose Maria Barrero, wrote, “that the fraction of temporary layoffs that become permanent ends up being much larger than the historical evidence would suggest.”

Already devastated by the 2008 crash, a whole generation of young people graduating from high school or college face the abyss of years of unemployment and underemployment, unable to start a family or own a home.

Millions of restaurants, shops and other small businesses will go bankrupt and never reopen, leaving small business owners and their employees with nothing. At the same time, city and state budget shortfalls arising from the loss of tax revenue will be used to justify further massive cuts in education and other social programs.

After a temporary moratorium, states are moving to resume evictions of people who are behind on rent and mortgage payments. Oklahoma is beginning evictions on May 26. In Iowa and Wisconsin, evictions can proceed on May 27. In Texas, a statewide ban on evictions expired last Tuesday and a surge of new cases is expected in the coming days.

The policy of the financial oligarchy can be summed up as: death and social devastation. The rich have utilized the coronavirus pandemic to hand trillions of dollars to themselves, while nothing has been done to

address the needs of the population. The massive accumulation of debt must be paid for through the intensified exploitation of the working class.

With each passing day, the homicidal character of this campaign becomes ever more apparent. On Friday, Trump declared that churches and other places of worship are “essential” and demanded that they be reopened “right now,” warning that he would overrule any governor who does not comply.

Epidemiologists have repeatedly warned against resuming all large gatherings that can serve as vectors for the virus to spread rapidly throughout a community. The reopening of churches, synagogues and mosques to in-person services—on top of the resumption of production at the auto plants and other workplaces in recent weeks—will facilitate the spread of the deadly virus, which has already infected more than 1.6 million people in the United States and taken the lives of nearly 100,000.

The thinking of this oligarchic ruling layer can be found in the comments of some of its representatives. Arguing against social distancing measures to limit the spread of the virus, former CEO and Chairman of Goldman Sachs and Democratic Party financier Lloyd Blankfein tweeted Thursday, “Hospitals are not overwhelmed; most of us will be exposed anyway since we can’t sequester until there’s a vax [sic]; and we know which groups need protection from worst outcomes. Is the public health benefit from broad lockdowns at this point worth such extreme damage to livelihoods?”

Blankfein’s main concern, of course, is not workers’ livelihoods, but the damage that may be done to his stock portfolio if workers do not resume generating profits.

Then there is hedge fund manager Ricky Sandler, CEO of Eminence Capital, who has created a website, ichooseherdimmunity.com, to demand that the US government openly declare that it is pursuing “herd immunity”—that is, to allow the virus to run rampant. Sandler has called for coronavirus “benefit” concerts, where young people gather to be infected with the coronavirus so the antibodies in their blood can be harvested as a treatment.

“Some of these people may even benefit as they are new to learn they have some compromise in their immune system,” Sandler glibly wrote.

The economy which the ruling class is concerned with “saving” has nothing to do with protecting or improving the lives of the working class. Rather, it intends to implement a vast restructuring of class relations, using the social crisis confronting tens of millions of people as a whip to reduce wages and slash benefits.

The pandemic has vastly exacerbated the class divide between the rich and the working class. The open looting of society by the ruling class and its homicidal drive to reopen the economy will produce massive social unrest and revolutionary upheavals.

In these struggles, the working class must advance its own political program. The Socialist Equality Party, in its statement published on May 21, called on workers to build rank-and-file safety committees in their factories and workplaces to coordinate actions and ensure they are protected from the virus at work and do not spread it to their families at home.

The organization of opposition in the working class, the SEP stated, “is inseparably linked to a struggle of workers against the ruling class—the corporate and financial oligarchy—and its dictatorship over economic and political life. It is, therefore, a fight against capitalism and for socialism, the restructuring of society on the basis of social need, not private profit.”

If the pandemic has demonstrated anything, it is that the interests of the working class, the vast majority of the population, stand in fundamental and irreconcilable conflict with the interests of the oligarchy and the capitalist system upon which their wealth and power depend.



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