

# Despite COVID-19, French billionaires have tripled their wealth since 2010

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While the COVID-19 pandemic threatens millions of lives worldwide, the super-rich are profiting from the pandemic to boost their fortunes, as governments shower the corporate and financial elite with billions of euros in bailouts. This is the case not only in the United States, but internationally.

French financial magazine *Challenges* has published its yearly ranking of the 500 largest fortunes in France. According to the 2020 edition, the collective wealth of France's 500 wealthiest families has exploded despite the pandemic: "Despite the economic crisis caused by the confinement, the 500 greatest fortunes have not collapsed."

It continued, "In 2020, the collective wealth of the 500 top fortunes in the ranking was €731 billion, compared to €211 billion in 2010." This is approximately 30 percent of France's Gross Domestic Product (GDP), compared to 10 percent in 2010. While there has been a threefold increase in their wealth over the last decade, there has been a ten-fold increase since 1996. France has 95 billionaires today, compared to 40 a decade ago.

The disgusting self-enrichment of the financial aristocracy exposes the French government's claims it has no money for social spending and to stop mass sackings being prepared amid the pandemic. The accumulation of such obscene fortunes is due to the policies of successive governments since the Stalinist regime's dissolution of the Soviet Union in 1991 and the 2008 Wall Street crash. They are implementing austerity policies designed to destroy social rights established after the Liberation from the Nazi occupation, to further enrich the wealthy.

Since the beginning of the pandemic, French officials have refused to significantly boost health spending and even mocked COVID-19 as a "little flu." The state thus

not only endangered health workers, who were denied necessary supplies and even face masks. The pandemic has caused over 30,000 deaths in France and 810,000 worldwide. At the same time, European governments were pouring over €2 trillion in bailouts into the banks and major corporations, further enriching this corrupt financial aristocracy.

Among the billionaires, Bernard Arnault, the head of the LVMH luxury fashion conglomerate, is still the wealthiest individual in France and across Europe. For the first time, his wealth has gone above €100 billion (a 13 percent increase since 2019). He is the third-wealthiest man in the world after Jeff Bezos (Amazon) and Bill Gates (Microsoft). From 2008 to 2019, Arnault increased his fortune from €18 billion to €100 billion.

The Arnault family, which initially ran a regional construction firm in northern France, built its fortune by manipulating state subsidies to restructure and shut down textile plants. It finally acquired LVMH in the 1980s, leaving in its wake a trail of shuttered factories and devastated cities. Northern France has since become an electoral base of the neo-fascist National Front.

The five largest fortunes in France are based primarily on luxury, fashion and cosmetics. After France's wealthiest man, there are the Dumas family that owns the Hermès luxury group (€55 billion), the Wertheimer brothers who own the Chanel luxury group (€53 billion), and Françoise Bettencourt-Meyers, who owns much of L'Oréal (€51 billion). Fifth place goes to François Pinault and his family, which owns the Kering luxury conglomerate (€32 billion).

In sixth and seventh place, one finds big retail and defense contractors: Gérard Mulliez for the Auchan supermarket chain, and Laurent, Olivier, Marie-Hélène and Thierry Dassault of the Dassault military and

aerospace empire (€23.5 billion).

These billionaires have profited massively from tax cuts and state subsidies handed to them over a period of decades. The fact that France's five largest fortunes rely on luxury underscores how the ruling class builds its fortunes on social inequality and neglects industry and production.

Such concentration of wealth at the top of society is an unprecedented phenomenon, which the pandemic has not stopped. According to the *Guardian*, "more than three-quarters of the world's wealthiest people have already reported a substantial increase in their family fortune this year." Jeff Bezos, the founder of Amazon, saw his fortune skyrocket by \$75 billion this year to reach the record figure of \$189 billion.

Even before the drastic impact of COVID-19, a substantial proportion of the world's population lived in poverty. In its report published last October, European statistics agency Eurostat wrote that "in 2018, 109.2 million people, that is 21.7 percent of the population in the European Union (EU), were living at risk of poverty or social exclusion."

The French National Statistics Institute (INSEE) reported at that time that in France 14.7 percent of the population—that is over 9 million people—were living under the poverty line. In 2019, the number of beneficiaries of minimum welfare payments (RSA) increased, with 1.84 million households receiving this benefit. A couple has to live on €847 monthly with this benefit, and an individual €567 per month.

In October 2019, sociologist Louis Maurin told the daily *Le Parisien*: "We are in a sort of stagnation, with already very weak growth, which always leaves behind a portion of the population that is already economically weakened. Public policy is not directed towards the poorest individuals. By spending €7 billion, we would lift 5 million people out of poverty, whereas in reality we are giving €30 billion in tax handouts to the wealthy. Our employment policy is not coherent, either. Without accusing anyone of anything, our job-creation policy has no ambition."

Now, the super-rich are seeing their fortunes subsidized by bailouts including a €1.25 trillion European Central Bank "quantitative easing" plan, and hundreds of billions spent in national and EU bailouts across Europe. This only further underscores the completely parasitic character of their wealth. Like the

feudal aristocracy before the 1789 French revolution, they live by plundering the public purse and demanding with limitless arrogance that the state impoverish the people.



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