

Pandemic profiteers: Forbes adds 50 health care moguls to its list of global billionaires

Genevieve Leigh
29 December 2020

For the richest layer of society, the year 2020 has proven to be one of soaring profits and the accumulation of personal wealth on a scale never before seen. The world's billionaires collectively increased their already massive fortunes by more than a quarter (27.5 percent) from April 2020 to July 2020 alone, reaching a record total of \$10.2 trillion.

According to a new report by Americans for Tax Fairness (ATF) and the Institute for Policy Studies (IPS), the total wealth of US billionaires grew by \$1.064 trillion during the first nine months of the coronavirus pandemic, a 36 percent increase. For context, this increase in wealth—that is, not the total wealth of these individuals, but *only the money they made in the first nine months of the year*—is more than it would cost to send a stimulus check of \$3,000 to every one of the roughly 330 million people in America.

Among the most profitable sectors has been the health care industry. A report released in October by wealth manager UBS and professional services firm PricewaterhouseCoopers notes that the billionaires in the health care industry increased their wealth by 36.3 percent between April 7 and July 31, from a total of \$402.3 billion to \$548 billion. The health care industry is second only to the tech industry in total increase in billionaire wealth.

Just before Christmas, *Forbes* magazine released a new survey revealing that at least 50 health care capitalists hailing from 11 different countries entered the ranks of the world's billionaires in 2020.

Who are these newly minted billionaires and just how much wealth are they hoarding?

* Uğur Şahin is a Turkish citizen and CEO of BioNTech, the German biotech firm that is partnering with Pfizer on the latter's vaccine. Şahin's net worth is now \$4.2 billion. BioNTech shares now trade at \$101.63, up 614 percent since the close of the first trading day last year. The company is worth more than \$24 billion.

Even with his \$4.2 billion, Şahin was not the main beneficiary of BioNTech's surge in the markets. Thomas and Andreas Strüngmann, German twins and early investors in the company, have each added \$8 billion to their net worth this year from their holdings in the firm. Already billionaires to begin with, they are each now worth about \$12 billion.

* Stéphane Bancel is a French citizen and CEO of the Massachusetts-based biotechnology company Moderna. Bancel has gained \$4.8 billion in wealth this year, giving him a net worth of \$5.3 billion.

At the start of 2020, when he first became a billionaire, Bancel owned about nine percent of the company. As the firm's stock surged by more than 550 percent with news of the company's contract for a vaccine, he sold roughly \$40 million worth of Moderna stock held by himself or associated investment funds.

Chief Medical Officer Tal Zaks has sold around \$60 million worth of stock and President Stephen Hoge has sold more than \$10 million.

* Moderna's skyrocketing stock price also lifted two others into the health care billionaire club: Harvard Professor Timothy Springer (net worth \$2 billion) and MIT scientist Robert Langer (net worth \$1.5 billion). Springer and Langer were founding investors in Moderna, whose rise has turned Springer's initial \$5 million investment into roughly \$1.6 billion.

* Sergio Stevanato is a new billionaire hailing from Italy. He has made his fortune as the majority shareholder in the privately-owned Stevanato Group, which is making glass vials for several dozen vaccines around the world.

The common feature in almost all of the health care billionaire fortunes has been the massive surge in stock prices. As the virus quickly became global, investors flocked to companies involved in the development of vaccines, treatments, medical devices and related fields. At the same time, the Federal Reserve in the US and

central banks in Europe and around the world ensured the rise in stock prices by pumping trillions of dollars into the financial markets.

The speculators' wealth ballooned as the market continued to rise despite, or rather because of, the dire state of affairs for workers. The capitalist economy was only able to produce the historic rise in the markets on the backs of millions of workers, forced back into factories and workplaces under unsafe conditions.

It did not take long for investments to pay off for health care executives. According to a *Business Insider* investigation, executives in charge of biotech and pharma firms working on COVID-19 treatments and vaccines have raked in more than \$1 billion by selling stocks.

Pfizer CEO Albert Bourla sold 60 percent of his stock on the same day the company announced the high success rate of its vaccine. The stock-selling bonanza was denounced as "unethical" at the time by some media outlets. However, most concluded that the action was completely legal.

The financialization of the health care industry, leading to the creation of this growing class of health care billionaires, was in the making long before the COVID-19 pandemic.

The spike in wealth among health care billionaires widens when one compares the health care sector from the beginning of 2018 to the end of July 2020. Over that period, the total wealth held by 1,690 health care billionaires increased by 50.3 percent, to \$658.6 billion.

An even wider view reveals profound levels of inequality in the world's richest capitalist country: US billionaires' total wealth in March 2020 was 12 times greater than their total wealth in 1990.

For these billionaires and multi-millionaires, the year 2020 will be remembered as the year they could finally afford that private island they had been dreaming about. But for billions of workers and youth throughout the world, 2020 was a year marked by mass death, social misery and suffering.

Millions lost loved ones to the virus this year. Most of those families said goodbye to mothers, fathers, sisters, brothers, spouses or children over the phone, unable to be with their dying family member. Millions more lost their jobs, health insurance and ability to provide for their families. For many, the year will be remembered as the first time they waited in a food line, depended on an unemployment check or were evicted.

As 2020 comes to an end, the attitude of the ruling elite to the plight of the working class is starkly revealed in the

so-called stimulus bill just signed by Trump: a pittance of \$600 to the workers.

It is becoming all too clear to millions of workers that their lives and well-being have been, and continue to be, deliberately sacrificed in the interests of Wall Street. Immense anger is building up. Nothing has been done to control the pandemic. In the coming months, the virus is predicted to kill hundreds of thousands more.

In some ways, the ballooning profits of the health care giants and the exploding personal wealth of their top executives and investors demonstrate most starkly the incompatibility between a system based on private ownership of industry and finance and production for profit and the well-being and very lives of the vast majority of the population.

Health care infrastructure is decayed and under-funded. Health care workers—nurses, aides, technicians—are woefully underpaid and overworked. Hospital workers get sick and die because of inadequate personal protective equipment and overwhelmed hospitals, the lack of testing and tracing, the homicidal herd immunity policies of governments dictated by the profit interests of big business.

The drive for private profit at every point cuts across the need for a rational, nationally and internationally coordinated effort to vaccinate every man, woman and child worldwide at no cost and as rapidly and safely as possible.

Meanwhile, the health care capitalists rake in money hand over fist. The working class must take action to save lives, including the expropriation of the fortunes of the health care billionaires and transformation of their private companies into publicly owned and democratically controlled utilities. Only in this way—in the fight for socialism—can the full potential of science and technology be harnessed in the interests of humanity.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact