

The case for expropriation: Billionaires' wealth surged 60 percent in first year of pandemic

Niles Niemuth
7 April 2021

The collective wealth of the world's billionaires exploded by more than 60 percent last year, from \$8 trillion to \$13.1 trillion, according to *Forbes* magazine's annual list of global billionaires, released on Tuesday.

"COVID-19 brought terrible suffering, economic pain, geopolitical tension—and the greatest acceleration of wealth in human history," *Forbes* writes.

The number of billionaires in the world grew by 660 to 2,775, the biggest total number and the largest annual increase ever. A new billionaire was minted every 17 hours.

Amazon CEO Jeff Bezos and Tesla CEO Elon Musk lead the pack with \$177 billion and \$151 billion, respectively. They are followed by Bernard Arnault and family (\$150 billion), who control the French luxury goods company LVMH, Microsoft co-founder Bill Gates (\$124 billion) and Facebook CEO Mark Zuckerberg (\$97 billion).

Press reports discuss how Zuckerberg "earned" \$50 billion and Elon Musk "earned" \$130 billion last year. But the very term is an absurdity. One cannot "earn" a figure equivalent to the gross domestic product of a mid-size country.

This wealth is socially appropriated. First, through the exploitation of the working class in the process of production.

Second, and no less important, the wealth is appropriated as the result of state policy, designed to ensure the perpetual rise of the stock market through a combination of monetary stimulus from the Federal Reserve and the provision of an endless supply of cheap labor for exploitation. As a result, the S&P 500 stock index has nearly doubled since its low in March

2020.

Amid a raging pandemic, every country in Europe and the Americas has refused to shut down nonessential production, claiming the cost would be too high. This policy, which has led to the deaths of over three million people, has the deliberate aim of expanding the wealth of the financial oligarchy.

With each death, an average of \$1.7 million was added to the net worth of the billionaires. Hundreds of millions of people around the world got sick on the job or were thrown out of work. Hundreds of millions went hungry. But the stock portfolios of the wealthy soared to ever greater heights.

As Karl Marx noted more than 150 years ago in *Capital*, it is a basic law of capitalism that "Accumulation of wealth at one pole is, therefore, at the same time accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation, at the opposite pole."

The piling up of immense sums at the top of society is made possible by the immiseration of the working class and poor.

As global markets entered freefall in March of 2020, the US government and Federal Reserve, along with governments and central banks around the world, stepped in with trillions of dollars to buy up the bad debts of the banks and corporations and prop up the markets. No expense was spared to guarantee and expand the wealth of the very richest, while destroying the wages and conditions of the working class.

In other words, the government oversaw the massive creation of public debt, which was transferred, by the mechanism of the markets, into the private fortunes of the financial oligarchy.

As soon as the bailouts were secured, the push came to reopen the economy and overturn the lockdowns and other basic public health measures that had been put in place after wildcat walkouts by workers forced shutdowns in Europe and North America.

As President Trump declared, echoing the line pioneered by the *New York Times*' Thomas Friedman, the "cure can't be worse than the disease." Workers were forced back into deadly factories and workplaces, and children were packed into schools, so that profit-making could be resumed. The capitalists were determined to ensure that the working class paid the full cost of the pandemic, and more.

Virtually every government around the world refused to carry out measures shown in the few countries that employed them, such as China and New Zealand, to be effective in containing the virus and minimizing the loss of life. It was no secret that what was required was an extended shutdown of nonessential industries and schools, strictly enforced social distancing, testing, quarantining and contact tracing.

All such serious and scientifically based measures were rejected because they impinged on the personal wealth of the financial oligarchs. The interests of the masses—the working class—coincided with the implementation of internationally coordinated measures that prioritized saving lives and protecting the income of the population. The economic interests of the capitalist class required a rapid and full resumption of profit-making in unsafe factories, offices and warehouses—and the herding of youth back into unsafe schools to facilitate their parents' return to work.

Bezos and Musk have been among the most handsomely rewarded for rejecting any serious public health safeguards in their plants to protect the workforce and slow the spread of the virus. Musk reopened his Tesla auto factory in Fremont, California last May in defiance of public health orders, resulting in over 440 workers contracting COVID-19. Amazon has sought to cover up COVID-19 outbreaks and worker deaths at its plants around the world. The company finally admitted in November that nearly 20,000 of its employees had tested positive since the start of the pandemic. The number of workers who have died as a result of these infections has yet to be disclosed.

Thanks to tax cuts included in the CARES Act

bailout and Trump's tax cuts in 2017, 55 of the largest corporations in America—including FedEx, Nike and Salesforce.com—paid no federal income taxes in 2020, with most receiving rebates. All told, these companies received \$3.5 billion in tax rebates from the US government.

Just over one year into the pandemic, as a fourth wave of infections surges around the globe and vaccine distribution remains limited, it is increasingly clear that the ruling class is prepared to send millions more to their deaths to satisfy its drive for profit.

Stopping this deadly accumulation of wealth in the hands of the oligarchy is critical to preserving the safety and well-being of the world's population. Just as the spread of the pandemic is inseparable from the enrichment of the financial oligarchy, the ending of the pandemic is inseparable from the expropriation of the oligarchs. The vast wealth piled up by the financial elite must be used to finance emergency measures to stop the spread of the virus and save millions of lives.

As workers all over the world enter into social struggle, they must take up the demand for the expropriation of the wealth of the financial oligarchy as a pillar of the socialist program to reorganize society to meet social need, not private profit.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact