

# UK billionaire wealth explodes amid devastation of the working class

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The number of UK billionaires increased by 24 to 171 last year, according to the *Sunday Times* Rich List. This is the biggest jump since 1989, when the *Sunday Times* began cataloguing the fortunes of the UK's super-rich.

The Rich List comprises the 1,000 wealthiest people or families resident in the United Kingdom ranked by their net wealth. The list is not limited to British citizens and includes individuals and families born overseas but who predominantly work and/or reside in the UK.

Overall, the richest 250 people on the Rich List increased their wealth by 16.3 percent, up to £658.1 billion. The 171 billionaires increased their combined wealth by £106.5 billion (21.7 percent) to £597.3 billion.

These are doubtless underestimates. The Rich List estimate subjects' wealth from a range of public information, based on values in January each year: "We measure identifiable wealth, whether land, property, racehorses, art or significant shares in publicly quoted companies. We exclude bank accounts—to which we have no access..." In January, using last year's Rich List, the Resolution Foundation pointed to the massive sums of wealth hidden away by super-rich, estimating that the share of the national wealth claimed by the UK's top 1 percent was not 18 percent as previously claimed but closer to 25 percent.

The grotesque fortunes catalogued by the Rich List have swelled as the lives and living standards of vast swathes of workers have been destroyed by the pandemic and its economic fallout.

More than 150,000 people have been killed by Covid-19, nearly half a million hospitalised, and countless thousands more left with serious long-term health consequences.

Millions have been thrown out of work or seen their wages and conditions slashed.

In April 2021, there were 2.6 million people claiming Jobseeker's Allowance, compared to 1.4 million in March 2020. By November 2020, 700,000 people were newly driven into poverty, including 120,000 children. The number of households in destitution—meaning they are unable to afford basics like food, shelter, heating and clothing—more than doubled to 421,000.

Three million more people have started claiming Universal Credit welfare payments. One in six new claimants has reported skipping meals and 30 percent said they could not afford to eat fresh fruit and vegetables daily. More than 60 percent said they would be unable to replace or repair electrical goods if they broke or put aside enough cash to save £10 a month, and over a quarter had fallen behind on housing payments.

Close to 700,000 people have been threatened with no-fault evictions, and at least 70,000 actually thrown out of their homes, despite a nominal government ban on evictions.

Large numbers of those still in work suffered massive falls in their income. According to an Office for National Statistics survey last October, 40 percent of those furloughed in the private sector did not have the 80 percent of wages paid by the government topped up by their employer. Low-paid workers were the most likely to receive no additional support from their employers, meaning that at the end of last year 2 million people were earning less than the pitifully low minimum wage of £8.72 an hour, quadruple the figure a year earlier. Even before the pandemic, in-work poverty was at a record high of 17.4 percent.

This collapse in the living standards of the working class was justified and enforced by the trade unions and

the Labour Party as being in the “national interest” of shared sacrifice in response to the pandemic. As the Rich List proves, the only “sacrifice” has been on the side of the workers, in the “interest” of a super-rich fraction of society.

Direct comparisons between the fates of the two classes are stomach-turning. The more than £100 billion gained by the billionaires in 2020-2021 dwarfs the £63 billion in emergency government funding given to health and social care services to cope with the Covid-19 crisis. The windfall enjoyed by just 171 people is equivalent to the total cost of the furlough and Self-Employment Income Support Scheme.

Sir Leonard Blavatnik, the richest man on the list, with a fortune of £23 billion, saw his wealth grow by £7.2 billion last year. This alone could more than fund the government’s temporary £20-a-week increase to Universal Credit. Conservative ministers have signaled their intention to scrap this measure in September, plunging an estimated nearly one million people, including nearly half a million children, into poverty.

The devastation suffered by the working class and the ever-expanding fortunes of the oligarchy are part of the same process. Boris Johnson’s Conservative government and its de facto coalition partner—the Labour Party—responded to the pandemic by bailing out the corporations to the tune of more than £1 trillion through business loans and quantitative easing. They worked with the trade unions to enact a murderous herd immunity strategy to keep workers at their jobs producing the profits necessary to make good these vast debts.

This has opened the floodgates to an all-out assault by the employers on workers’ conditions, used to drive the fortunes of the super-rich even higher. Brutal “fire and rehire” tactics are now ubiquitous. By January this year, an estimated one in 10 workers in the UK had been forced to reapply for their jobs on worse pay, terms and conditions, according to a survey by the Trades Union Congress (TUC). Workers at British Airways, British Gas, Go North West, SPS Technologies and SAICA have already suffered thousands of job losses and thousands of pounds-worth of pay cuts under threat of this tactic—facilitated by the Unite and GMB unions. Workers at Jacobs Douwe Egberts, Argos and Weetabix are fighting the same danger. In the public sector, teachers are threatened

with an unprecedented extension of the working day and nurses with an effective pay cut.

The pandemic has both exposed and deepened the extreme social polarisation in the UK. In December last year, the Resolution Foundation calculated from 2016-18 data that if the median household saved every penny of disposable income, it would take them more than 400 years to reach the current level of wealth of the richest 1 percent. An obscenely rich oligarchy and the broad mass of working people confront each other as two irreconcilably opposed classes, each of whose continued existence depends on waging war against the other.

The way the latest Rich List highlights this reality has prompted the usual insincere and impotent soul-searching in ruling circles. Robert Watts, who compiled the list, remarked in a gallingly callous understatement: “The fact that many of the super-rich grew so much wealthier at a time when thousands of us buried loved ones and millions of us worried for our livelihoods makes this a very unsettling boom”. His comments echo concerns in factions of the Organisation for Economic Co-operation and International Monetary Fund that rising social inequality in the context of the pandemic threatens widespread social unrest—leading to recent less-than-half-hearted appeals for higher taxes.

A year of mass death and vicious exploitation shows such whistling in the wind for what it is. The way forward for the working class is not to place forlorn hopes in liberal pipe dreams and window dressing. It is to counter the class war launched by the government, the employers and the unions with their own international offensive, based on a socialist programme for the expropriation of the oligarchy to meet desperate social needs. The International Committee of the Fourth International has established the International Workers Alliance of Rank-and-File Committees (IWA-RFC) as the necessary framework to carry forward that struggle.



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