Australian Rich List: Skyrocketing wealth for billionaires amid social misery

Max Boddy
30 March 2023

Last week, the Murdoch-owned *Australian* newspaper published its annual Rich List, which celebrates the exorbitant wealth of the top 250 richest individuals in Australia. Their total combined wealth now exceeds $531 billion, an overall increase of $11 billion in the last 12 months.

Amid the worst cost-of-living crisis in decades, the *Australian* celebrated the fact that 8 new billionaires have been added to the list, bringing the overall total to 139. The average wealth of each individual exceeds $2.1 billion and the barrier for entry on the list is $504 million.

As in previous years, the money is highly concentrated among the top ten billionaires, who have a combined wealth exceeding $208 billion. That represents 40 percent of wealth on the list. The top 20, whose wealth exceeds $271 billion, account for more than 51 percent of the total.

Iron ore magnates Gina Rinehart and Andrew Forrest retain the first and second positions respectively. Rinehart's personal fortune increased by $4.46 billion, bringing it to $37.1 billion. Forrest has $35.21 billion, an increase of $3.44 billion in a single year.

The biggest shift has been in the spaces occupied by the heads of tech companies. The unconstrained growth of financial speculation has seen a meteoric rise in the fortunes of these individuals. Investors, looking for the next Google, gamble on the future profits of tech start-ups, pushing their shares exponentially higher than the net profits of the business.

This makes the companies highly vulnerable to financial instability.

Co-founders of Atlassian, Mike Cannon-Brookes and Scott Farquhar, previously in the fourth and five spots, dropped to sixth and seventh, with a combined wealth total of $31.62 billion. That is a fall of $19.57 billion from last year.

Cliff Obrecht and Melanie Perkins, founders of tech company Canva, broke records last year with a wealth increase of $27 billion, putting them in the number nine and ten spots. While they retained these positions, they have lost $11.52 billion combined, bringing their combined fortunes to $20.26 billion.

The rest of the top ten is rounded out by familiar faces. Mining magnates Clive Palmer and Ivan Glasenberg took the fifth and eighth spots respectively. Spots three and four were held by Anthony Pratt, owner of cardboard and recycling behemoth Pratt Industries and housing mogul Harry Triguboff.

The 2023 Rich List attempts to paint these wealthy individuals as being great contributors to Australian society. In truth, they have a parasitic relationship to the economy at large. All of their fortunes are tied to the speculative and socially-destructive activities of finance capital. While most acute among the tech companies, this is true of all.

The new individuals on the list underscore the further growth of speculative activities.

Twenty-seven-year-old Edward Craven shot to the 68th spot with a fortune of $2.01 billion. He has built one of the biggest online cryptocurrency gambling companies in the world Stake.com. Craven purchased two mansions in Melbourne's wealthy suburb of Toorak last year, worth a combined $120 million.

James and Robbie Ferguson, also new to the list with a combined wealth of $750 million, established Immutable, a platform for other companies to operate non-fungible token (NFT) businesses.

The additions point to the growing wealth of financial entities that produce nothing of social value, but largely exist as vehicles for stock market speculation and gambling.

© World Socialist Web Site

Those on the list inhabit a different world to working people. The List does not even reference the deepening social misery of broad sections of the population, upon which the fortunes are ultimately based.

Instead it wallows in the almost ludicrous concerns of the ultra-wealthy. One example of this is an article entitled: “Ever wondered what it costs to run your own superyacht?”

The article centres on Ian Malouf, worth $1.03 billion. He is the owner of a $100 million superyacht whose features include a spa pool, private treatment rooms such as an infra-red sauna, a teppanyaki grill, both an indoor and outdoor gym and an on-board beauty therapist. “The bow is the size of most boats” Malouf boasts.

To answer the question posed in the article Malouf explains, “You could be looking at a payroll of $250,000 per month,” but then with extras, the costs “could be another $300,000.” Malouf concludes by describing how he is “spoilt for choice” in his destinations this year. One of his boats is going to New Zealand and then Tahiti, “there’s Fiji and Whitsundays too,” he says.

Despite being comparatively smaller than the obscene increases of wealth observed in previous editions, the latest rise coincides with the greatest reversal in the living conditions of workers since World War II.

The last twelve months recorded the largest drop in real wages on record. Inflation surged to 7.8 percent in 2022, while nominal wage growth was limited to just 3.3 percent. This means the actual take-home pay of workers decreased by 4.5 percent in value.

The official inflation figures hide the true skyrocketing cost of living, as basic items families need to survive skyrocketed in prices. Over 2022, dairy and related products increased by 14.9 percent, bread and cereal products 12.2 percent and fruit and vegetables 8.5 percent.

The Reserve Bank of Australia responded to the inflationary crisis by hiking interest rates 11 consecutive times, adding a $1,474 increase in monthly repayments on a $750,000 loan. This in turn dramatically pushed rents up. In some areas of New South Wales (NSW) rents increased by 40 percent.

This social crisis is coupled with the complete dismantling by the Albanese Labor government of every public health measure to protect the population from the COVID-19 pandemic. As a result, more than 22,000 people died last year and the overstretched hospitals are at breaking point.

COVID-19 is now barely mentioned by the media. The Rich List is no different, with the only reference being in the past tense, perpetuating the lie that the pandemic is over.

While the billionaires boat around exotic coastlines, workers are faced with continued devastation.

The Albanese Labor government declares there is no money for public health, education or housing. Instead it announced last month a $368 billion nuclear-powered submarine deal to accelerate the US-led war drive against China.

In its own way, the Rich List underscores the case for the socialist reorganisation of society. The vast social problems which face society cannot be addressed until the massive resources, concentrated, and monopolised by a relative handful of ultra-wealthy individuals, are redirected to meet the urgent needs of working people and society as a whole.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site