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READING 23

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The Super-Rich

The Super-Rich

The end of the forty years of Cold War was more than the political triumph of the West over the Soviet Union. It was also more than the victory of freedom and pluralism over command communism. When the Berlin Wall cracked open and the iron curtain fell a new form of capitalism came into its own—global capitalism—and with it new global elite, a new class.

This new class already commands wealth beyond the imagination of ordinary working citizens. It is potentially wealthier than any super-rich class in history (including the robber barons, those 'malefactors of great wealth' criticised by Teddy Roosevelt, and the nineteenth-century capitalists who inspired the opposition of a century of Marxists). The new class of super-rich are also assuming the proportions of overlordship, of an overclass—as powerful, majestic and antidemocratic as the awesome, uncompromising imperial governing classes at the height of the European empires.

The awesome new dimension of today's super-rich—one which separates them sharply from earlier super-rich—is that they owe no loyalty to community or nation. The wealthy used to be bounded within their nations and societies—a constraint that kept aggregations of wealth within reason and the rich socially responsible. Now, though, the rich are free: free to move their money around the world. In the new global economy super-rich wealth (capital) can now move their capital to the most productive (or high profit, low cost) haven, and with the end of the Cold War—and the entry into global economy of China, Russia, Eastern Europe and India—these opportunities have multiplied.

The super-rich are also free to move themselves. Although still less mobile than their money, they too are becoming less rooted, moving easily between many different locations.

Millionaires

Mobility is made possible by the lack of a need to work—a 'lifestyle' normally fixed in one nation or location for many years at a time. It is this escape from the world of work which effectively defines the super-rich. The lowest-ranking dollar *millionaire* household can, depending upon the interest and inflation rate, secure an *unearned* annual income of, say, $60,000 per year, which is almost double that of the median annual income of American families and four times that of the median income of British households.[1]

These millionaires are by no means lavishly well-off, particularly if they are in three- or four-people families or households. However, they are financially independent—as one commentary put it, they can 'maintain their lifestyle for years and years without earning even one month's pay'.[2] It has been estimated that in 1996 there were as many as six million dollar millionaires in the world, up from two million at the end of the Cold War.[3] Over half of these—estimates claim about 3.5—are to be found in the United States.[4]

Multimillionaires

However, these dollar millionaires find themselves at the *very* lower reaches of the world of the super-rich. Their homes and pensions are included in the calculations that make them millionaires, they often work—if not for a living, then for extras—and their lifestyles are often not particularly extravagant or sumptuous. They are, in fact, poor cousins in comparison with the more seriously rich families and individuals who are now emerging in the global economy. Official US statistics report that around a million US households—the top 1 per cent of total US households—possess a *minimum* net worth of over $2.4 million each and an average of $7 million each. In Britain the top 1 per cent have an average of around $1.4 million each.

The top half a per cent of US households, about half a million people, are staggeringly rich. This group has a *minimum* net worth of $4.7 million and an *average* of over $10 million each, which could produce an unearned annual income of over $600,000. In Britain the top half a per cent, around 48,000 households, have on average something like $2 million each—a fortune that can produce, again depending on interest and inflation rates, an unearned annual income of around $120,000 before tax and without working.[5]

These households are the truly super-rich, whose net worth, much of it inherited, is the source of considerable economic power and produces an income (mainly unlinked to work) that allows, even by affluent Western standards, extraordinarily sumptuous lifestyles. Estimates vary about the world-wide number of such super-rich families and individuals, but over two million in the plus $2.5 million category and over one million in the over $4.7 million (average $10 million) category would seem reasonable.[6]

Although huge amounts of the money of these multimillionaires are held outside the United States, in Europe, Asia and Latin America, this tells us nothing about the nationality of the holders. In a sense these super-rich multimillionaires are the world's true global citizens—owing loyalty to themselves, their families and their money, rather than to communities and territorial boundaries—but reasonable estimates suggest that over half of them are American, and that most of the rest are European, with—certainly until the 1998 crash in Asia—a growing contingent from Asia.[8]

Their ~~money is highly~~ mobile, and so are they themselves, moving between their various homes around the world—in London, Paris and New York; large houses in the Hamptons in the United States, in the English and French countryside, and in gated communities in sun-belt America, particularly Florida, southern California and Arizona, and for the global super-rich the literal mobility of yachts in tropical paradises not scarred by local poverty.

Mega-Rich and Billionaires

Amongst multimillionaires there is a sharpish distinction to be made between those at the lower end—say the $20 million net worth households—and those at the higher end—say the $500 million plus households. The distinction is one of power, not lifestyle. From most perspectives the income from $20 million (say $1 million)—about 70,000 US households in 1994—can, at least on the face of it, produce the same kind of lifestyle as income from the net worth of the more serious multimillionaires (there is arguably a limit to the number of homes, yachts and cars that can be enjoyed and consumed in a lifetime).[9] $50 million in net worth, however, simply does not command as much economic power—over employment, over small businesses—than do the resources of the big time multimillionaires, much of whose money is tied up in big transnational corporations.

At the very top of this mega-rich world are the dollar billionaires, those who command over $1000 million in net worth, a fortune that can secure an unearned annual income, depending on inflation and interest rates, of $50 million a year before tax—staggeringly well over 1000 times more than the average US income. In 1997, estimates of the number of these ultra-super-rich individuals varied from 358 to 447 world-wide, and the number is growing fast, virtually doubling during the few years of the post Cold War era.[10]

Who Are the Billionaires?

The 400 or so billionaires in the world are a varied lot. In one sense they are like the rest of us (and like those who will read this book). They are overwhelmingly Western, primarily American or European, and male, but they represent no single ethnic group, no single social background, and certainly possess no single business or financial secret for acquiring these awesome fortunes.

Many of the billionaires, though, would not be in the mega-rich category without an inheritance—which remains the most well-trodden route to great multimillion dollar wealth. Of the top 400 wealthiest people in the United States, 39 made the list through inheritance alone and many of the others had some inheritance to help get them started.[11] The British queen, Elizabeth Windsor, is perhaps the most famous example of such massive unearned wealth. In 1997 Phillip Beresford (*The Sunday Times'* 'Rich List', (*Sunday Times* 6 April 1997) put her net worth at a staggering $10.4 thousand million in 1992 (double the 1997 figure for top-listed Joseph Lewis). However, after she took a rival 'rich list' to the Press Complaints Commission over its valuation of her assets, *The Sunday Times'* Wealth Register excluded from its calculations the royal art collection, which, had it been included, would have given her a $16 billion figure, making her the world's wealthiest woman and the second wealthiest person in the world, with half the net worth of the Sultan of Brunei but more than the Walton family.[12]

In contrast to the inheritors, there are some 400 'self-made' mega-rich men (there are no women). Yet even these men of merit have not necessarily made their inordinate fortunes through extraordinary amounts of work and talent—certainly not its continuous application. Many of the self-made mega-rich are certainly talented and creative (and often ruthless), but many of them have become mega-rich through one-off bursts of insight or risk or luck.

William (Bill) Gates is seen as 'self-made', very much the American entrepreneurial hero. His vast resources—*Newsweek* calls him 'the Croesus of our age'—have been built upon the meritorious image of having run a successful company which provides a real service, a real addition to human understanding and communication. His huge net worth—he was listed in 1997 by *Forbes* magazine as the richest American at $36.4 billion—is based upon the value of his shares in his company Microsoft. It was Gates' original burst of imagination that created his fortune—the initial stock offering in 1986 of 100 Microsoft shares cost $2100 but by the first trading day in August 1997 this had risen to 3600 shares at $138.50 each! Gates' personal share of the company rose from $234 million to $37.8 billion in the same period.[13] Certainly Gates has managed the company and taken many crucial decisions. Yet as Microsoft grew he needed the more 'routine' skills of thousands of major company directors—such as managerial aptitude and the ability to stave off competition. As with all established businesses, less and less risk and less and less creativity was needed (and a junior hospital doctor probably put in more hours).

Paul Raymond is a different type of self-made billionaire. Described by academic John Hills as Britain's richest man—in 1995 he placed him ahead of Joseph Lewis—Raymond's fortune is thought to be well over £1.65 billion. Having founded Raymond's revue bar in the Soho district of London, with topless dancers, he made his money by investing in soft pornography and property.[14] Like Gates he had the talent to spot a coming market—albeit one that was less elevating and educational. And also like Gates, and the other mega-rich, once the original burst of inventiveness (perhaps amounting only to the one great insight) was over the rest of his working life has consisted of simply managing his empire and watching his money grow. . . .

Comparisons

This group of late twentieth-century billionaires not only dwarf their 'ordinary' super-rich contemporaries but also the earlier race of mega-rich 'robber barons' who were so identified with the burgeoning capitalism of the early twentieth-century. In terms of resources at their personal command, in 1997 William Gates was three times richer than John D. Rockefeller (Standard Oil) was in 1918, Warren Buffet was over ten times richer than Andrew Carnegie (Steel) was in 1918, and it was estimated that in 1992 the British queen was ten times richer than Henry Ford (automobiles) was in 1918, although some of these early-twentieth-century super-rich probably commanded a greater percentage of their nations' resources.[15]

The resources at the disposal of these super-rich families—a huge pool of the globe's wealth—are truly astounding, beyond the wildest imaginings of most of the affluent Western middle classes. These high net worth individuals (HNWI's, as they are depicted in the financial services sector that serves them) accounted for almost $17 trillion in assets in 1996.

The power—that is, command over resources—of the world's super-rich is normally expressed in raw monetary figures, but the sheer, egregious extent of these private accumulations of wealth can also be given some meaning by making comparisons. . . . Eighty four of the world's richest people have a combined worth greater than that of China.[16] So the wealth of just one of these super-rich individuals is equal to that of about 12.5 million of his fellow humans.

Just as awe-inspiring is the fact that the total wealth of the world's few hundred billionaires equals the combined income of 45 per cent of the planet's population.[17] It is also somewhat sobering to realise that the *individual* wealth of the world's billionaires can exceed the gross national product of whole nations.[18] The world's ten richest billionaires all individually possess more in wealth than the GNP of many nation-states. The world's richest individual, the Sultan of Brunei, weighing in at over $45 billion, commands more resources than the combined GNP of 40 nation-states. To give his wealth some form of reality, it is larger than the GNP of the Czech republic (population 10.3 million); while William Gates commands more resources than the GNP of Africa's oil-rich giant, Nigeria (with a population of 111.3 million); the Walton family commands over $27.6 billion, more than the GNP of Vietnam (peopled by 73.5 million); Paul Sacher and the Hoffmann family command over $13 billion, more than the GNP of Bulgaria (population 8.4 million); Karl and Theo Albrecht command over $8 billion, more than the GNP of Panama (with its 2.6 million inhabitants); Joseph Lewis, the highest ranking mega-rich British citizen, commands just under $5 billion, which gives him more control over resources than his country of residence, the Bahamas.[19]

Another way of grasping the huge personal agglomerations of wealth in the modern global economy is to compare income levels. On 1997 interest-rate figures, and assuming that all assets are not income producing, the Sultan of Brunei could easily receive from his assets something in the region of $3 billion a year as income—compared with an average of $430 per person in the 49 lowest-income nation-states, $2030 per person in the 40 middle-income nation-states, $4260 in the 16 upper-middle income states and $24,930 in the 25 highest income economies. . . .

Get the world's top three mega-rich (dollar billionaire) people into one room and you would have assembled command over more resources than the GNP of Israel; the top four and you would tie with Poland, the top ten and you would beat Norway and South Africa. Europe's richest 20 families command around $113 billion, a little more than the whole Polish economy; America's richest 10 ($158 billion) and Britain's richest 1000 families ($156 billion) together command more resources than the GNP of the entire Russian Federation.[20]

If the top 200 or so billionaires could ever be assembled together then the command over assets, in that one room, would outrank the GNP of each of Australia, the Netherlands, Belgium, possibly even Brazil; and with 400 or so billionaires the one gathering would outrank Britain and almost overtake France!

It is these kinds of statistics that bring into sharp focus the economic power limitations of elected presidents and prime ministers (and other public sector officials)—who also have to share their economic power with cabinets and parliaments—compared with the economic power of the unelected mega-rich, whose only accountability is to the market. Such economic power was on display when the American media billionaire Ted Turner decided to donate $1 billion to the United Nations and 'to put on notice . . . every rich person in the world . . . that they're going to be hearing from me about giving money'.[21] For a Western politician to move a billion dollars in the direction of the UN would have involved months and months of negotiating and a bruising campaign.

All of our four categories of the world's super-rich (the 'ordinary' millionaires with up to $2.5 million, those with $2.5-5 million, those with $5-1000 million, and the billionaires with over $1000 million) have a combined net worth of $17 trillion, more than double the GNP of the United States.[22]

Just as awe-inspiring is the proportion of national wealth of the Western nations held by their own passport-holding super-rich.[23]

In 1995 in the US the amount of wealth (total net worth) held by 90 per cent of American households—everyone under the top 10 per cent—came to only 31.5 per cent, whereas the top 10 per cent of American households own 69.5 per cent of the US. More striking still, the top 1 per cent of Americans hold 35.1 per cent of US wealth, and the top half a per cent of households (500,000 households), those with a minimum net worth of $4.7 million, own 27.5 per cent of the US.

In Britain too the super-rich also own a huge proportion of the net worth of their country.[24] In 1992 the top 10 per cent of Britons owned half of the country's marketable wealth (for the top US 10 per cent the 1995 figure was a whopping 69.5 per cent). The wealthiest 5 per cent of Britons owned around 37 per cent of Britain's marketable wealth. The top 1000 super-rich families in Britain own about $160 billion worth of wealth, about the same average (0.16 billion each) as the top half a per cent in the US; Britain's top 100 command $89 billion, its top 50 own $69 billion and the top 20 own $42 billion.[25]

Among the 1997 British 'top twenty' Joseph Lewis (finance) was estimated to have a net worth of $4.8 thousand million; Hans Rausing (food packaging) came just behind with $4.72 thousand million; David Sainsbury (retailing) and Garfield Weston and family (food production) third with $4 thousand million each; Richard Branson (airline, retailing and entertainment), Sir Adrian and John Swire (shipping and aviation) and the Duke of Westminster (landownership) all joint fifth with $2.72 thousand million each; Lakshimi and Usha Mittal (steel) eighth with $2.4 thousand million; and Joe and Sir Anthony Bamford (construction equipment) and Viscount Rothermere (newspapers) joint ninth with $1.92 thousand million.

A particular feature of the British super-rich scene is the concentration in very few hands of land ownership. Britain—or rather the land area known as the United Kingdom—is, quite literally, owned by a very small caste; as is the capital city, London. It remains a poignant commentary on wealth concentration that large tracts of London are owned by just a few individuals. The Duke of Westminster, through the Grosvenor Estate, owns around 200 acres of Belgravia and 100 acres of Mayfair—a dynastic inheritance created by the seventeen-century marriage of Cheshire baronet Thomas Grosvenor to Mary Davies, the '12 year old heiress to a London manor that at the time included 200 acres of Pimlico'. Viscount Portman owns 110 acres north of Oxford Street. Lord Howard de Walden's four daughters, through a holding company, own 90 acres of Marylebone. Elizabeth Windsor, the queen, remains

the 'official' owner of 150 acres of 'crown estates' in central London, as the eight crown estates commissioners address their annual report to her. Andrew Lycett has argued that although 'millions of pounds are exchanged every week in leasehold property deals . . . London still has no sizable new landowners' with the exception of the Sultan of Brunei and Paul Raymond.[26]

Richer Still, Yet Richer

And the super rich are getting richer. The former vice chairman of the US Federal Reserve Board said in 1997 that 'I think when historians look back at the last quarter of the twentieth century the shift from labour to capital, the almost unprecedented shift of money and power up the income pyramid, is going to be their number one focus.'[27] The figures are indeed dramatic. In the US the top half a per cent rose from 23 per cent to 27.5 per cent between 1989 and 1995. The next half a per cent rose from 7.3 per cent to 7.6 per cent in same period. However, the next 9 per cent fell from 37.1 per cent 33.2 per cent, while the lowest 90 per cent fell from 32.5 per cent to 31.5 per cent. As the most reliable and scholarly analysis put it, the evidence shows 'a statistically significant increase in the share of household net worth held by the wealthiest half a per cent of [US] households from 1992 to 1995'.[28]

There are no figures available for the British top half a per cent, but tax authority figures—which do not include the considerable amounts of offshore money held by the British-passport-holding rich—suggest that whereas the top 1 per cent of the population were losing ground between 1950 and 1980, during the Thatcherite, globalising 1980s and 1990s their share of the wealth of Britain stabilised.[29]

And the assets held by the world-wide super-rich (the HNWIs) are expected to continue to grow. One assessment portrays them as more than doubling (from $7.2 trillion in 1986 to $15.1 trillion in 1995), and they are projected to grow from the 1996 level of $17 trillion to $25 trillion (up by more than 50 per cent) by the new millennium. . . .

An Overclass?

If the new global super-rich do not amount to an old-style ruling class, they are certainly becoming an overclass: the mirror image of the more publicised urban underclass—separated from the rest of us, with distinct interests that differ from those of the mass of the peoples of Western societies.

In a very real sense the new super-rich are becoming removed from their societies. This is happening physically. The higher levels of the super-rich have always lived apart: within their walled estates or in wealthy ghettos in the centre of Manhattan, London and other cities. They have always owned possessions that have singled them out. Today, of course, mere diamonds, helicopters and expensive cars no longer signify the apex of great wealth. Now it is the luxury yacht (normally personally designed by John Banneman), the personal aeroplane—the Sultan of Brunei has a Boeing 747—(normally supplied by Grumanns), and one or two of the highest valued paintings that signify someone has reached the top. . . .

Of course one test of loyalty to a society is a willingness to pay its taxes, particularly if they are not onerous. Yet increasingly the super-rich are dodging the taxes of their countries of origin. In 1997 the *New York Times* reported that

> *nearly 2,400 of the Americans with the highest incomes paid no federal taxes in 1993, up from just 85 individuals and couples in 1977. While the number of Americans who make $200,000 or more grew more than 15 fold from 1977 to 1993, the number of people in that category who paid no income taxes grew 28 fold or nearly twice as fast, according to a quarterly statistical bulletin issued by the IRS.*[30]

So difficult was it for the US authorities to collect taxes from the super-rich that Congress introduced a new tax altogether—the Alternative Minimum Tax—to catch them.[31] With the American 'middle classes'—the middle income groups—paying a larger percentage of their earnings in taxes (including sales taxes, property taxes and social security payroll taxes), tax evasion and avoidance is becoming a growing cause of economic inequality and social fracture. . . .

'The World Is in the Hands of These Guys'

The emergence of this global overclass not only raises the question of equality—or inequality—but also of power. Supporters of this new 'free market' global capitalism tend to celebrate it as a force for pluralism and freedom; yet so far these egregious aggregations of assets and money have placed in very few hands enormous power and influence over the lives of others. Through this accumulation of assets and money the super-rich control or heavily influence companies and their economic policies, consumer fashions, media mores, political parties and candidates, culture and art.

What is more the resources at the disposal of many of these super-rich individuals and families represent power over resources unattained by even the most influential of the big time state politicians and officials—'the panjamdrums of the corporate state' who populated the earlier, more social democratic era, and who became targets of the new capitalist right's criticism of the abuse of political power.

In the new capitalist dispensation it is the global super-rich who are 'lords of humankind', or 'lords of the Earth' like Sherman McCoy in Tom Wolfe's all too apt social satire on Wall Street, *Bonfire of the Vanities*, wielding power like old-fashioned imperial pro-consuls. The new global super-rich have now got themselves into a position where they not only have a 'free market' at their disposal, and not only is this market now global, but they can also command the support of the world's major governments. . . .

Onward and Upward

The new super-rich global overclass seems to be possessed of one crucial attribute: a sense of ultimate triumph. As globalisation has proceeded all the bulwarks of social democracy that stood in their way, the cultures that acted as a balancing force and succeeded in civilising, and to some extent domesticating, raw capitalism have fallen. The primary casualty has been the nation-state and its associated public sector and regulated markets. The global economy has also helped to remove that other crucial balancing power available in the Western world—trade unions—which for the most part acted to check unbridled business power and ensure some basic rights to employees, often at the expense of rises in short-term money incomes.

Finally, the end of the Cold War was a seminal moment and played a fateful role as midwife. At one fell swoop the end of command communism (in Eastern Europe, in Russia and, in the economic field, in China) made footloose capital both possible and highly attractive by adding a large number of low-cost production and service centres and new markets to the economy. It also removed the need for the Western super-rich to be 'patriotic' (or pro-Western). It also made redundant the instinct of social appeasement held by many Western capitalists and induced by the need, in the age of Soviet communism, to keep Western publics from flirting with an alternative economic model.

The stark truth is that not one of these obstacles—not the public sector, not the trade unions, not an alternative economic and social model—is ever likely to be reerected. In the short to medium term, without a change in the political climate of the Western world there is nothing to stop further globalisation, higher and higher profits, more and more millionaires. For the new overclass it is onward and upward.

NOTES

1. The median income of US families was about $37,000 in 1993. US Census Bureau, Income and Poverty, CD-ROM, table 3F (1993). The median income of UK households was about $16,500 (The exchange rate used here is $1.6 to the pound) in 1990 at 1993 prices. See John Hills, *Income and Wealth*, vol. 2 (Joseph Rowntree Foundation, Feb. 1995).
2. Thomas J. Stanley and William D. Danko, *The Millionaire Next Door* (Atlanta, GA: 1997). Some scholars have suggested defining 'the rich' not in terms of millions but rather as those with a family income over nine times the poverty line—in US terms about $95,000 a year in 1987. See S. Danziger, P. Gottschalk and E. Smolensky, 'How The Rich Have Fared, 1973-87', *American Economic Review*, vol. 72, no. 2 (May, 1989), p. 312.
3. The US Finance House Merrill Lynch in conjunction with Gemini Consulting, 'World Wealth Report 1997' (London: Merrill Lynch, 1997).
4. Stanley and Danko, *The Millionaire Next Door*, op. cit., p. 12.
5. US figures for 1995 from Arthur B. Kennickell (board of governors of the Federal Reserve System) and R. Louise Woodburn, 'Consistent Weight Design for the 1989, 1992 and 1995 SCF's and the Distribution of Wealth', revised July, 1997 unpublished. The UK figures are for 1993-4. For the UK figures, which include pensions, see Hills, *Income and Wealth*, op. cit., ch. 7.
6. Merrill Lynch, 'World Wealth Report, 1997', op. cit.
7. The 'World Wealth Report, 1997' (Merrill Lynch, op. cit.) projected, before the late 1997 Asian economic decline, that in 2000 the division of high net worth assets by source region would be Europe 7.1, North America 5.8, Asia 6.1, Latin America 3.8, Middle East 1.2 and Africa 0.4.
8. Of these multimillionaire Americans, families of British (that is English, Scottish, Welsh and Irish) and German descent account for 41.3 per cent of the total.
9. *Newsweek*, 4 Aug. 1997 (source IRS).
10. The UN *Human Development Report* (1996) put the figure at 358, and *Forbes* magazine's 1997 wealth list put the figure at 447, up from 274 in 1991.
11. *Newsweek* 4 Aug. 1997 (source *Forbes*, op. cit.)
12. See also, Phillip Hall, *Royal Fortune: Tax, Money and The Monarchy* (London: 1992) for a systematic account of the mysteries of the royal finances. One fact about the Queen's money remains: since 1998 she has remained above the law as far as taxation is concerned as she is not treated in exactly the same way—with all tax laws applying to her—as every other British person.
13. See *Newsweek*, 'The New Rich', 4 Aug. 1997.
14. Hills, *Income and Wealth*, op. cit., p. 9. Hills suggests that 'If Britain's richest man, Soho millionaire Paul Raymond, receives a modest 3 per cent net real return on his reported £1.65 billion fortune' his income would be £1 million a week.
15. Figures from *Newsweek*, 4 Aug. 1997, reporting *Forbes* in June 1997. The figures for the Queen were for 1992 (as published in *The Sunday Times*' 'Rich List', 1997), and were subsequently revised downwards following a complaint to the Press Complaints Commission.
16. John Gray, 'Bill Rules the World—And I Don't Mean Clinton', *Daily Express*; 11 Sep. 1998.

17. UN, *Human Development Report*, (1966). Comparing wealth with income is highly problematic, but nonetheless serves to display the enormity of the comparison. These comparisons—between asset net worth and gross national product (GNP) are not of course comparing like with like, but are used in order to show the extent of the egregious financial and economic power of the high net worth individuals. The most reasonable method of comparison would be to compare the net worth of super-rich individuals and groups of super-rich individuals with the total net worth of each country (that is, each individual/family in the country). These figures are not available for more than a handful of countries.
18. 'Billion' here and throughout the book is used in the US sense that is, nine noughts.
19. Wealth figures from *The Sunday Times*', 1997 'Rich List', op. cit., population figures for 1995 from *World Development Report* (Washington, DC: World Bank, 1997).
20. The US figure is from *Forbes*, June 1977, and the European and British from *The Sunday Times*, 6 April, 1977. For GNP figures see World Bank, *The World Atlas*, op. cit.
21. *Guardian*, 23 Sep. 1997.
22. These estimates are based upon the net worth estimates cited in *Forbes* magazine, June 1977, and in 'The Wealth Register', compiled by Dr Richard Beresford for *The Sunday Times* (extracts published in *The Sunday Times*, 6 April, 1997), who also cites *Forbes* magazine. *The World Atlas*, op. cit.
23. As I argue throughout this book, the super-rich are in reality global; but they all need a passport, and we are talking here about US passport holders.
24. The percentage of net worth of the total marketable net worth of all British passport holders.
25. *The Sunday Times*, 6 April, 1997. This is the British billion, that is, 12 noughts as opposed to the US nine noughts.
26. Andrew Lycett, 'Who Really Owns London?', *The Times*, 17 Sep. 1997.
27. Alan Blinder, former vice chairman of the US Federal Reserve, quoted in *Newsweek*, 23 June 1997.
28. Figures from 'Consistent Weight Design for the 1989, 1992 and 1995 SCF's and the Distribution of Wealth' by Arthur Kennickell (Federal Reserve System) and R. Louise Woodburn (Ernst and Young), revised July 1997 (unpublished). Figures derived from the Survey of Consumer Finances sponsored by the US Federal Reserve System and the Statistics of Income Division of the IRS.
29. See Charles Feinstein, 'The Equalising of Wealth In Britain Since The Second World War', *Oxford Review of Economic Policy*, vol. 12, no. 1 (Spring 1996), p. 96 ff. In British estimates distinctions tend to be made between marketable wealth and total wealth—marketable wealth excludes state pensions, occupational pensions and tenancy rights.
30. *New York Times*, 18 April, 1997.
31. The US Alternative Minimum Tax is levied on those who have substantial incomes but, because of their use of tax shelters and exemptions, submit a zero tax return.

STUDY QUESTIONS

1. The "super-rich" may be reshaping the global economy. What power do they have and how might they exercise it?
2. What social theory would you use to explain why the "super-rich" have come into existence? Use some sociological concepts to show how this happened.