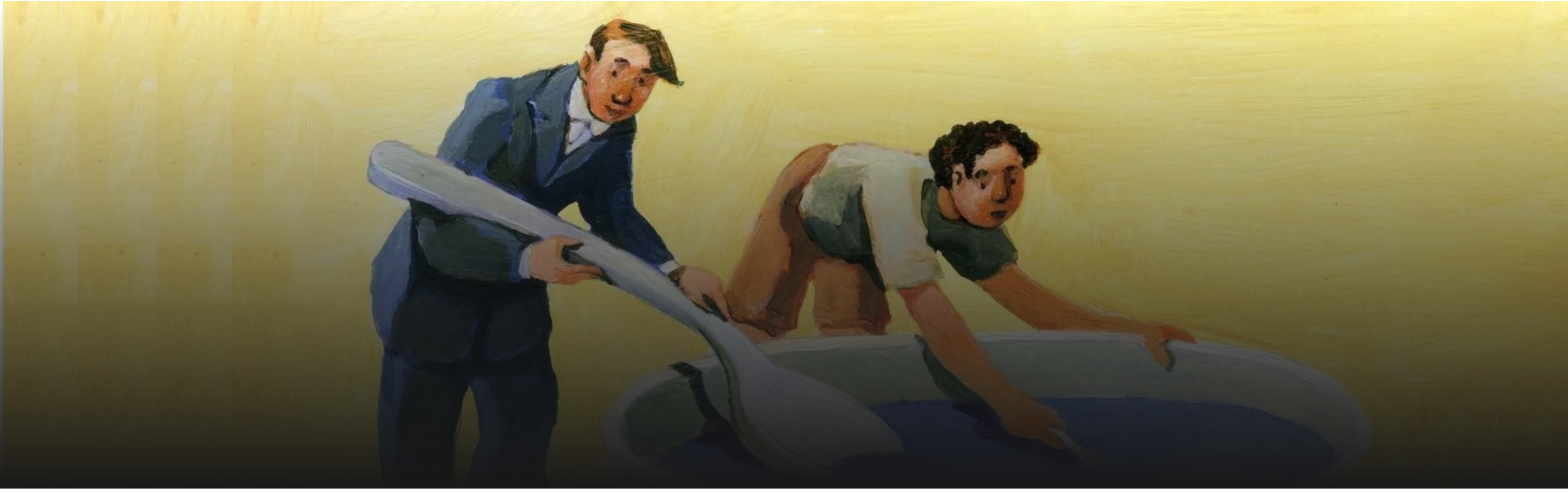

Sarah Kerr February 12th, 2025

What kind of social problem is wealth inequality?

Is our societal "problem" the poor – or is it the rich? Should we be looking down, or do we need to look up? Ahead of her book launch event on 19 February, ***Sarah Kerr*** *asks whether a new articulation of wealth as a social problem could reveal more of the social effects of extreme wealth and, in doing so, galvanise public debate.*

Record growth in wealth in the UK since 1980 has not been evenly shared. Indeed, it has signally failed to trickle down: 25% of people in the UK have less than £100 in savings making them one household emergency away from tipping into debt or destitution. At the same time, the richest 10% of the population owns 57% of our national wealth. If we care about addressing poverty – as both an economic and social justice issue – we need to address wealth inequality.

This task is hampered by the difficulty in making the hyper-concentration of wealth into a social problem that can gain and maintain political and public salience. In the UK – the most unequal large economy in Europe – a Labour Chancellor managed to launch her first budget with no mention of inequality at all. It's to this challenge of low salience that I address the ideas in my book *Wealth, Poverty and Enduring Inequality: Let's talk wealtherty*.

To be clear, much *has* changed since I started researching for the book back in 2016. It felt utterly improbable, back then, that taxing wealth would be talked about in a serious way as it now is. It felt genuinely shocking, at Davos 2019, when Rutger Bergman confronted slack-jawed philanthropists and politicians with demands for higher taxes on the basis that, in poverty reduction work, "the rest is bullshit". It felt unlikely that anti-poverty organisations – who for so long were resolutely "looking down" and not engaging with wealth – would be leading the charge against wealth inequality. But now these very organisations are "looking up" towards the rich and their wealth, addressing the sources of their own endowments, and taking a position on wealth as a social harm. This has culminated with the super-rich themselves putting wealth tax on the agenda at Davos 2025. What else can be done to increase the public and political salience of wealth inequality?

Displacing poverty, centring wealth

In his review, Danny Dorling offers an admirably concise summary of my book's central argument. He writes:

"Our problem now is not the poor; it is the rich. Instead of looking down, we need to look up… If we truly care about inequality and about poverty, we should have our eyes firmly focused on the rich… Kerr's claim is that the sociologists, and all of us, have not been paying enough attention to the rich."

In order to pay this attention to the rich, in my book I experimented with displacing poverty and centring wealth. *Wealtherty* is what some researchers refer to as an "equivalency" frame : the process of presenting an issue or situation differently. Or, more radically, in the words of Foucault it is a *reversal* – a way of looking at something "the wrong way round". It seeks to explore what, beyond the simple fact of mal-distribution outlined above, the problem of wealth actually *is* and to describe how it shows up in the world.

I describe *wealtherty* as having four primary components.

1. **The enablement of hyper concentration of wealth**: a stark polarisation between the richest and the poorest, and with distributions and processes of accumulation renewing older social relations (of class, empire and patriarchy).
2. **The perpetuation of social and policy divisions based on this distinction between richest and poorest**: hence fiscal and social policies that distinguish between "customers" and "claimants", and a reinforcement of this via polarising media identities ("value creators" vs "scroungers", and so on).
3. **Unequal access to political power and influence**: richer people are able to access a restricted set of activities or "capabilities" (for example, buying media, setting media agendas, and donating to and lobbying political parties) – thereby dominating political discourse and steering it to reflect the interests of the rich.
4. **Gatekeeping of knowledge resources**: the rich actively shape how we make collective knowledge, and in particular, how we collectively understand wealth and poverty.

Tracing the roots of wealtherty: a case study on privacy vs disclosure

Following from this experimental definition, in the book I offer a genealogy of wealtherty: a history that starts with the problem as it's posed in the present, and from there looking back to seek its moments of emergence.

For example, contemporary approaches to governing the rich through variations of the principle of cooperative compliance assume (or at least tolerate) a sphere of financial privacy, and suggest an agreement on the part of the state not to pry beyond information that's cooperatively – voluntarily – offered up. On the other hand, Universal Credit – the social policy ushered in with the 2012 Welfare Reform Act – enables the real time transfer of data on claimant incomes from HM Treasury to the Department for Work and Pensions, and The Public Authorities (Fraud, Error and Recovery) Bill introduced to the House on 22 January 2025 will require banks to examine their data to highlight where someone may not be eligible for the benefits that are being paid. It is predicated on total surveillance and mandatory disclosure.

There is then an asymmetry: the trust implied in the first example versus the lack of trust implied in the latter. On top of this, there is also the irony (and injustice) of how this policy treatment is at odds with the *actual* compliance behaviours of each group.

We can trace the moments of emergence of these norms around privacy (for the rich) and disclosure (for the poor) in parallel debates that reached their peak in the late 1700s – one on the appropriate government of the poor, and the other on the feasibility of forms of government of the (resources of) rich.

The former eventually helped to usher in the New Poor Law, a defining piece of social legislation enacted in 1834 that shifted the focus of state support for those living in poverty to the problem of dependency or pauperism. The latter saw the first income taxes on the wealthy in the late 1700s. The point is that the norms, practices, processes and institutions that enable and sustain the current high levels of wealth inequality today have long histories, and are propulsive – they will be transmitted into the future. Knowing how they were made, and being able to recognise them in the governmental "orientations" towards richer and poorer people *in the present*, might allow us to change them such that we can blunt this propulsive force and imagine more sustainable, fairer futures.

Dorling's review rightly made the point that getting traction for a new word is a difficult thing to do – and not always productive (and indeed, sometimes *really* annoying). I agree. Despite having made the case for it, I'm not wedded to wealtherty *as a term*, and in the book I quote Foucault when he wrote: "Words are like fireworks. They should ignite and then disappear".

I am, however, wedded to the principle of conceptual innovation as a means of opening up new space for thinking: we urgently need new ways of talking to make space for new ways of acting. New terms might sound silly. They might be annoying, or seem to disrespect swathes of brilliant academic work on poverty (not my intention). But as statistician George Box said: *All models are wrong. But some are useful*. If wealtherty can be useful – if it can encourage us to look up (and back) and reflect on what this state we are in actually *is* – and interrogate the values and practices that sustain it – then it will have done its job.

Sarah Kerr will talk about her book, Wealth, Poverty and Enduring Inequality: Let's talk wealtherty, at an LSE event on 19 February 2025. Click here for more details about attending this event in-person or online.

Wealth, Poverty and Enduring Inequality: Let's talk wealtherty, published by Policy Press, is out now.

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Sarah Kerr is a research fellow at the International Inequalities Institute. Her interdisciplinary research interests include narratives and histories about wealth and poverty, and questions of epistemic and epistemological justice.

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