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Why wealth inequality matters

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Foreword

Professor Mike Savage

I am delighted to share with you the new report Why Wealth Inequality Matters from the International Inequalities Institute. This report aims to add weight to the growing awareness that wealth inequality in the UK is a fundamental problem that desperately needs to be tackled. Important research by the Resolution Foundation, the Runnymede Trust, the Women's Budget Group, and the Deaton Report (hosted by the IFS) has exposed the serious extent of wealth inequality in the UK. Concrete proposals to address wealth inequality are gaining increasing traction.

Recently, Labour MP Liam Byrne's new book, The Inequality of Wealth offers an important stepping stone. Byrne renews an older political call, pitched to the political centre ground, which questions the justice by which the remarkable build-up of wealth assets in recent years can be left entirely in private hands. He calls for a return to a collective view of wealth, endorsing sovereign wealth funds, or universal basic credit. We can also note the even more recent success of Gary Stevenson's The Trading Game, published only a few weeks ago to rave reviews and already established as a best seller. Stevenson lends the weight of a voice fully versed in the engine house of global wealth creation – as the most successful trader employed by Citibank in 2010 – who now fully embraces the need to redress wealth inequality in fundamental ways. The popularity of his book and linked Youtube channel is a sign that his arguments are finding a receptive audience. Recent polling evidence also indicates unprecedented popular support for wealth taxes.

With a General Election campaign looming, this is a vital time to build on this momentum. In this report, we bring together key research findings from the LSE's International Inequalities Institute. We deliberately broaden out from important research demonstrating the inequities of 'top end' economic advantage, to focus on the systemic social problems that wealth accumulation generates. Our report underscores how wealth inequality is not just a problem of economic equity alone but opens up a far broader set of social and political concerns regarding gender and racial equity; promoting social mobility; enhancing well-being and creating a flourishing social and political environment. In this report we review state of the art social science research and present some new original findings of our own. Our aim is to build a wide campaigning base seeking to foreground the systematic ways that wealth inequality is divisive. I hope you find the report helpful and please get in touch with us if you would like to develop this work further.

Professor Mike Savage

Wealth, Elites and Tax Justice Research Programme Leader and Martin White Professor of Sociology in the Department of Sociology, London School of Economics and Political Science

Why wealth inequality matters

Over the past decade, wealth inequality – driven by the private ownership of assets such as property, savings, and investments -– has increasingly been recognised as a major divisive force in the UK, and across the globe. Numerous studies have emphasised that because wealth builds over long time periods and offers huge advantages to the wealthy, it is rapidly becoming the major driver of contemporary socio-economic inequality[1].

These arguments are not only gaining academic currency but are also increasingly gaining public attention, notably around strategies for taxing the super-rich. More needs to be done, however, to broaden the awareness of the challenges of wealth inequality across numerous policy fields, so that the true gravity of the issues is realised.

The main problem is that because wealth is an abstract 'stock' of potential resources, it is not as concrete as many derived from income. People often don't exactly know how much wealth they may have tied up in their owner-occupied home, in their pension pots, or in their investments, and they may not be able to immediately access these resources. Wealth is therefore often opaque, invisible, and of course in some cases deliberately hidden. A good metaphor is that wealth is the 'inequality iceberg'. Icebergs have a much greater mass of ice beneath the ocean surface than is visible from above. In a similar fashion, below the arena of visible inequalities, such as deriving from income, housing, or health, a huge mass of opaque inequalities associated with wealth lurks beneath. And it is the hidden mass of ice which represents the greatest danger to those navigating these waters.

The aim of this report is to bring this opaque inequality iceberg into proper view. We will show how wealth operates to amplify socio-economic inequalities associated with gender, race, and class, and also serves to erode democratic engagement and political trust. But first we need to understand just how big this inequality iceberg has become.

[1] See the discussion in Mike Savage, *The Return of Inequality*, Harvard UP 2021.

1: Coming to terms with the explosion of wealth

Stocks of wealth have soared in recent decades. According to the World Inequality Database, the mean value of wealth stocks in the UK has doubled from £100k per head in 1985 to £200k per head in 2021[2]. This is astonishing. To put it another way, it took several millennia for wealth in Britain to reach the £100k per head threshold. And then, a mere 36 years later, this stock of wealth had doubled: a bonanza unprecedented in human history.

On first glance this may seem a wonderful story of economic advancement. However, this proliferation actually comes at a heavy price. Wealth is incredibly unevenly distributed. Because it can be accumulated over time – 'wealth begets wealth' - there is almost no upper limit to how much some individuals can acquire. It is sobering to realise that around half of the British population have not shared to any extent in this doubling of wealth stocks in the UK. Instead, this boom has disproportionately benefitted a few. Half of the UK population have less than 5% of the total wealth stocks, whereas the top 10% take 57% The result is to dramatically extend the distance between rich and poor, and to lead to the festering of social divides of numerous kinds, as we will go onto show.

Until very recently, the scale of this wealth boom has largely escaped the attention of policy makers. Indeed, if anything, policies have been directed towards benefitting wealth holders, rather than those locked out of significant wealth acquisition. During the Covid pandemic, stamp duty on property transactions was temporarily reduced. In 2023 the Government caved into pressure to remove taxation on pension assets of those in the fortunate position of having over £1 million in their pension funds. Proposals to cut inheritance tax have been floated by Conservative politicians with the assumption that they will garner public support. The Labour Party has been coy about tackling wealth inequality head on.

Nonetheless, there are now signs that the public mood is changing. A powerful first front has unravelled the sheer economic inequities, buttressed by taxation policy, which benefit the 'top end' of the super-rich. This includes III research, notably that led by Arun Advani and Andy Summers, which has developed concrete proposals for taxing top earners and the wealthy more effectively. This tallies with increasing global recognition that low effective rates currently paid by some of the world's wealthiest need to be addressed. For example, the G20 has recently hosted discussions over radical proposals to adopt a global minimum tax on wealth. In the UK, taxes at the top have come to feature prominently in political debates: recent reforms to 'non-dom' status are one example. This policy agenda is likely to gather pace under the next government. There is near universal acceptance that UK tax revenues will need to rise over coming decades, even just to keep current levels of public services on some kind of realistic footing. Not only will an incoming government directly require additional revenues from the top, but the perception that the richest are paying their 'fair share' is likely to be a pre-condition for public acceptance of broader-based tax reforms. This work is bolstered by increasing recognition, excellently elaborated by Liam Byrne's new book, *The Inequality of Wealth* or in the work of the economist Mariana Mazzucato, of the systemic problems that an asset-based economy produces, in rewarding unproductive rent seeking and predatory behaviour[3].

[2] The evidence put forward in this report defines wealth in varying ways according to the different data sources used. The World Inequality Database estimates "per adult national wealth" using their DINA (Distributional National Accounts) estimates (which use national accounts, survey data, fiscal data, and wealth rankings), over the adult population. The Wealth and Assets Survey (WAS) is the most comprehensive source of wealth data for the UK, recording wealth at both the household and the individual level (albeit, where home ownership is shared, it is assumed that it is shared jointly by the homeowners). WAS is limited because (a) it only goes back to 2006/08, and (b) it has a comparatively small minority ethnic sample. Therefore, to examine the racial wealth divide and trends over time, we use the large *Understanding Society* (US) longitudinal study, which oversamples minority ethnic groups. Because Understanding Society records only Primary Housing and Financial wealth – thereby excluding, pensions, business, secondary housing/land and physical wealth it's measure of wealth is not entirely comparable to that derived from WAS. Please also refer to the notes of each chart and their original sources for further details.

[3] Liam Byrne, *The Inequality of Wealth: Why it matters and how to fix it*, Apollo, 2024, Mariana Mazzucato, *The Value of Everything: making and taking in the global economy*, Penguin 2019

The III is proud to have supported this first front of much needed research. But the main focus of this report is to probe into the hidden depths of the inequality iceberg. It is at this deep and largely opaque level that wealth intensifies entrenched structural divides and hence erodes trust, wellbeing, and people's everyday life chances. Wealth inequality is not simply one discrete area of policy concern, it has major repercussions for society as a whole. The kind of divides which have been outlawed in discrimination law, notably around race and gender, can actually be seen to be underscored through the dynamics of wealth accumulation. We review existing evidence, including by The Runnymede Trust and the Women's Budget Group, and draw together recent findings, and our own analyses, testifying to the impact of wealth inequality on gendered and racial divides. We present evidence on the burgeoning scale of the class wealth gap, which has not previously been studied.

Perhaps the most invidious aspect of this systemic failure comes from the attack on democratic values and processes inherent in the proliferation of wealth assets. We finish with original qualitative research exposing how people without wealth resources feel excluded as politics is run corruptly by those who have the financial resources to make their voices heard. This leads to growing cynicism and a sense that there isn't a level playing field – which indeed, there isn't.

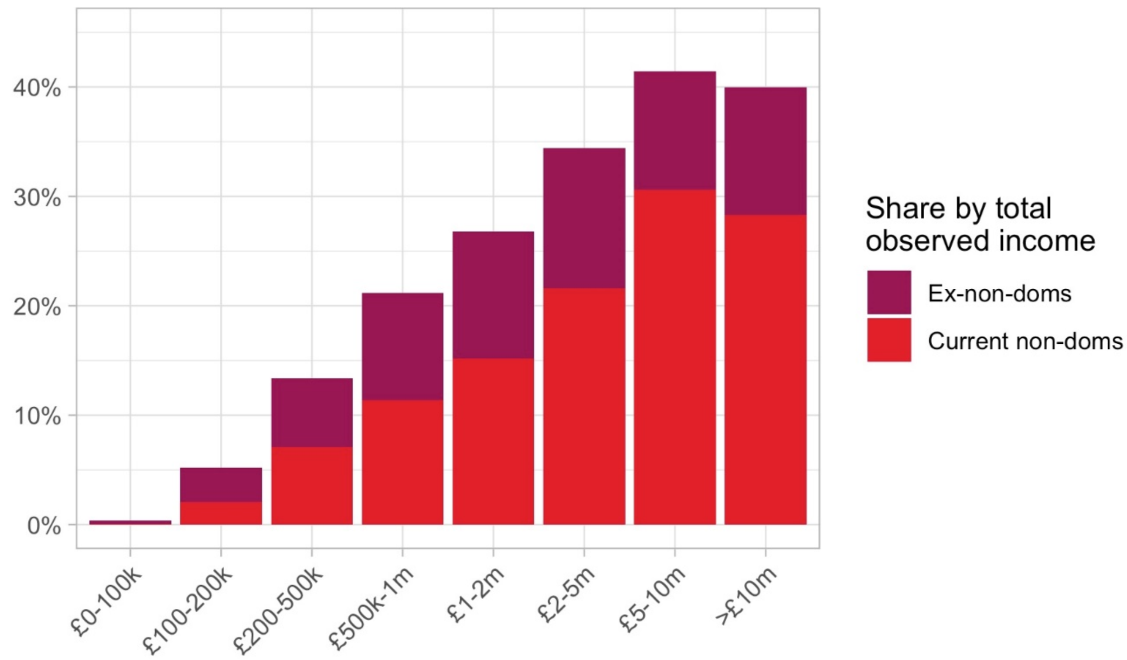
2: Opening the first front: the 'Taxes at the Top' Research Agenda

Major steps have now been taken to demonstrate both the need, and the feasibility of tackling economic inequalities driven by the 'top end'. Arun Advani and Andy Summers, working with numerous colleagues at the III and at the University of Warwick, have led pathbreaking research on 'top end' economic inequality and established concrete policy proposals which have already gained major policy traction. So far, major impact has been achieved in three main areas:

The UK Wealth Tax Commission – this project moved from conception to delivery in less than eight months during the Covid-19 pandemic (April-Dec 2020), coordinated thirty-eight evidence papers including a final report and online tax simulator. The major achievement of this commission was to turn a generic call to tax wealth into a set of concrete and practical proposals, which recognizes the administrative costs involved. They were able to demonstrate that a game changing £250 billion could be raised by imposing a very moderate 1.7% tax on those with over a million in wealth assets. In the UK, the report was covered by every major news outlet and has become the reference-point for virtually all political commentary about a wealth tax. Internationally, the report has been cited by the UN, IMF, OECD and the EU Commission, as well as by NGOs and in national parliaments.

'Non-doms' – The 'non-dom' clause, which has allowed British residents who claim that their permanent home is outside the UK to gain tax concessions on their overseas assets has been a political 'hot-potato' for decades. Advani et al were the first to systematically study the scale and significance of non-doms through research in HMRC Datalab[4].

Figure 1: Share of non-doms at different levels of total observed income, 2018 (entire taxpayer population)



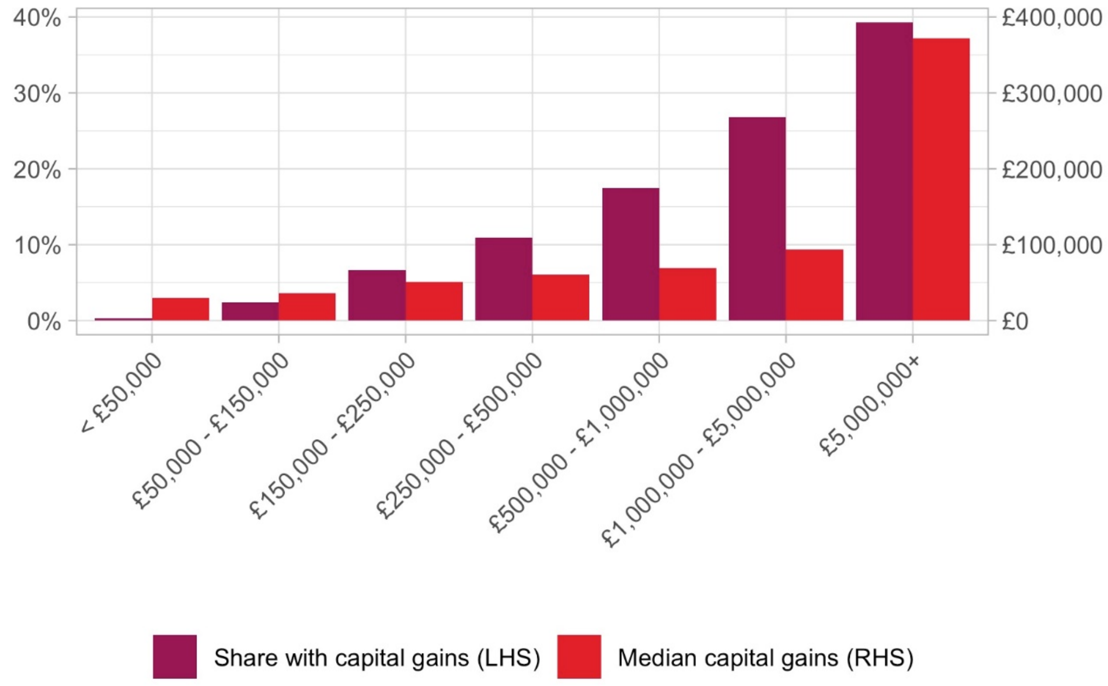
They were conclusively able to show that those claiming non-dom status were amongst the highest paid in the UK – and hence hardly needed additional tax relief. Figure 1 shows that an astonishing 40% or more of those earning over £5 million in 2018 had claimed to be a non-dom at some times between 2001 and 2018. Advani and Summers were the first to produce a concrete estimate (inside or outside government) of the revenue that could be raised from abolishing or

[4] Advani, A., Burgherr, D., Savage, M. and Summers, A., 2022. The UK's global economic elite: A sociological analysis using tax data. *LSE International Inequalities Institute Working Paper* 79.

curtailing the non-dom regime. They studied previous reforms to non-dom rules showing that they did not lead to a large emigration response, contrary to anecdotal reports, findings which were reinforced by qualitative research undertaken also by Prof Sam Friedman, Victoria Gronwald and Emma Taylor. This work underpinned the Labour Party's policy to abolish the non-dom regime, followed by the major reforms announced by the Conservative government in the March 2024 Budget.

Capital gains – Advani, Lonsdale, and Summers published the first statistics on the distribution of capital gains in the UK (see Figure 2). They showed that a failure to account for capital gains in official income statistics had led the government to incorrectly claim a reduction in top-end inequality during the period of austerity in the early 2010s. They were also able to show that it was the highest paid who benefitted most from capital gains.

Figure 2: Probability of receiving capital gains and median gains for recipients, by income level 2015-2019



Source: Figure adapted from Advani, A., Lonsdale, A., and Summers, A., 2024. Who would be affected by Capital Gains Tax reform? CAGE Policy Briefing 40

They also published the first UK findings on the effective tax rates paid by the rich, accounting for capital gains. Their work led to Labour's pledge to reform the taxation of 'carried interest' gains by private equity managers.

It is now clear that it is practical to tax top end income and wealth. But we still need to open a second front to expose the inequality iceberg. The simple analytical point is that when wealth assets inflate, this is likely to disproportionately benefit those who are already wealthy. This was pithily captured in Piketty's controversial r>g formula, but the basic idea that wealth accumulation cycles benefit those who are already the most advantaged is rendered in numerous forms. Milanovic's concept of homoplutia, or Adkins's focus on the asset economy point to the same idea[5]. We now turn to expose how wealth entrenches divides of gender, race, and class.

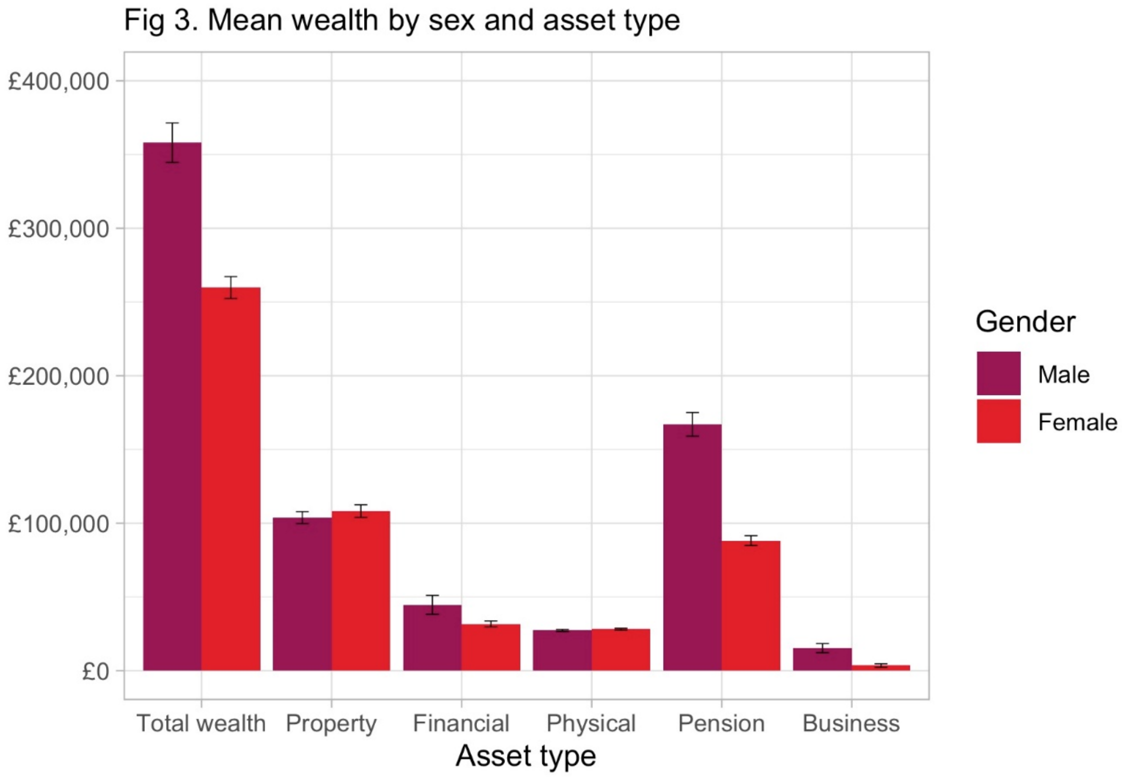
[5] T Piketty, *Capital in the 21st Century,* Harvard UP; Berman, Y. and Milanovic, B., 2020. Homoploutia: Top labor and capital incomes in the United States, 1950–2020. *Review of Income and Wealth*., Adkins, L., Cooper, M. and Konings, M., 2020. *The asset economy*. John Wiley & Sons.

3: The gender wealth divide

The gender pay gap is the most common measure of economic inequality faced by women. Yet this only captures the inequality in the hourly pay of full and part-time employees, does not reflect differences in hours worked, or take into account those not currently engaged in paid work nor the self-employed. Furthermore, the gender pay gap does not reveal the long term and cumulative effect of women's earnings disadvantage. In contrast the gender wealth gap has the potential to unveil the accumulated economic disadvantages women face, yet this receives only limited research and policy attention.

Advani, Bangham and Leslie found that women are less likely to live in high wealth households than men. The researchers suggest that this is due to more high wealth households led by single men, than single women. However, the UK's Wealth and Assets Survey, like the German SEOP, but unlike many other international wealth surveys, records wealth data at the individual level, offering much greater scope to examine the gendered distribution of wealth at the individual level[6].

The latest estimates from the ONS show that on average women own £90,400 less than their male counterparts.[7] This results in a mean gender wealth gap of 25.8%. When controlling for other characteristics, the ONS estimates that the wealth penalty for being female expands to £101,300.[8] Mann highlighted that the raw UK gender wealth gap further increased by the inclusion of business assets in the analysis, which widens the raw gender wealth gap to 27.4%[9].



Source: Authors' own calculations, Wealth and Assets Survey (Office for National Statistics, 2023)

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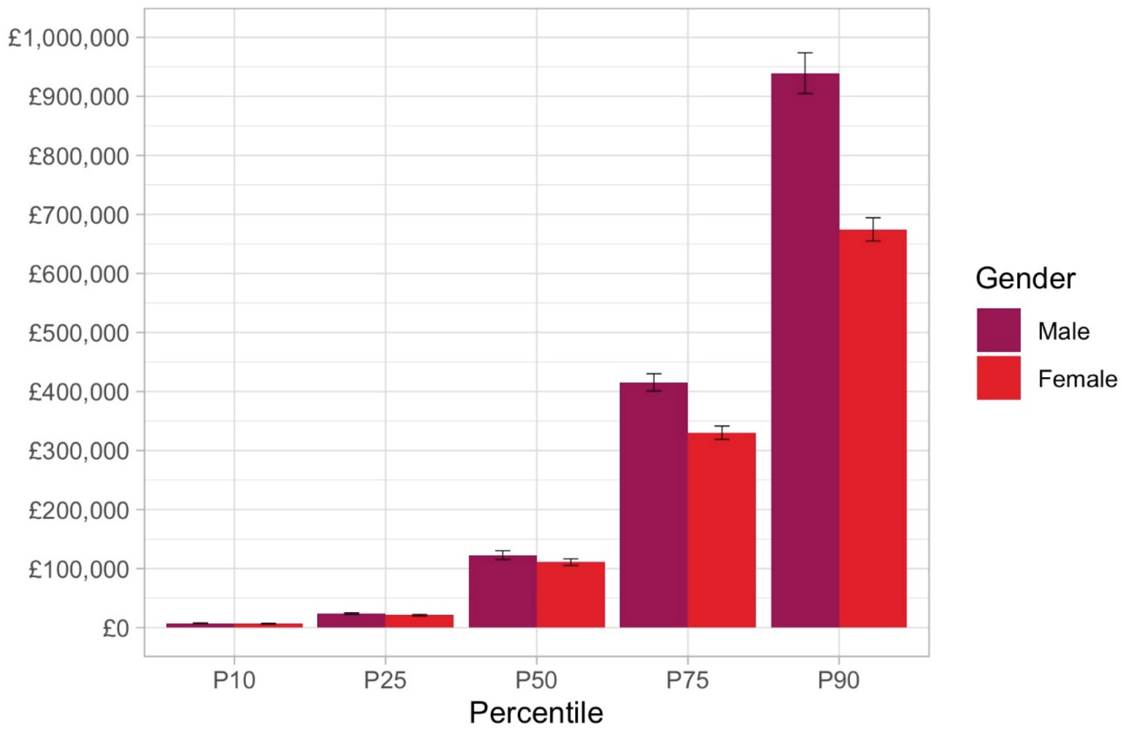
[6] Advani, A., Bangham, G. & Leslie, J. (2021), The UK's wealth distribution and characteristics of high-wealth households. *Fiscal Studies*, 42: 397–430.
[7] Mean gender wealth gap, Table 25, Distribution of individual total wealth by characteristic in Great Britain, ONS 2022
[8] See Table 34, Individual Wealth in Great Britain, ONS, 2022
[9] Mann, E. (forthcoming) Wealth Matters: A UK policy perspective [doctoral dissertation, London School of Economics and Political Science]

Notes: Weighted estimates based on data on adults' wealth in 2018-20, 95% confidence intervals. N = 32,712. Wealth includes net business, financial, pension, physical and property assets.

Further echoing Mann's earlier findings and reinforced by findings from the Women's Budget Group, distinguishing between asset type reveals that the gender wealth gap is primarily driven by differences in pension wealth, where men's wealth outstrips women's by an incredible £79,000. More bluntly, men's average pension wealth is close to twice that of women's. This chasm in pension assets is likely a reflection of the cumulative impact of the gender pay gap, plus shorter hours and lower participation. The implication is that the many tax incentives and reliefs available on pension assets primarily benefit men. A smaller but statistically significant difference is also seen in Net Financial and Business assets, where men's ownership is on average £13,000 and £12,000 higher than women's.[10]

The mean gender wealth gap is driven by differences in the upper half of the wealth distribution. The median wealth gap is a more modest 10%. However, above this the gap widens, and the differences become statistically significant.[11] Figure 4 shows that at, the 75th percentile the gap has widened to 21%. By the 90th percentile the gap is 28%, a difference of £265,000.

Fig 4: Wealth by sex at various percentiles



Source: Authors' own calculations, Wealth and Assets Survey, ONS, 2023

Notes: Weighted estimates based on data on adults' wealth in 2018-20. N = 32,713. Wealth includes net business, financial, pension, physical and property assets.

At the pinnacle of UK wealth distribution, men's wealth continues to dominate. Just three women made it into the Sunday Times Rich List 2023 top 10, and even they were listed alongside their partners or family.

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[10] Numbers rounded to closest thousand, significant at 95% confidence level.
[11] Results tested at the 95% level,

The gap between men's and women's wealth is often overlooked, and this is likely to be at least in part because household-based analysis and data dominates the literature. In so doing inequalities within the household, and by individual characteristics, become obscured.

These statistics should be both a cause for concern, and a call for action. Little research has been completed in the UK to explain the causes for the gendered distribution of wealth, but the sizeable discrepancy in pensions wealth hints that this reflects the accumulated disadvantage in the labour market women face. It further points towards a less comfortable retirement for many women than many men.

International evidence has highlighted gender wealth differences across occupational class, driven by income and work experience; motherhood penalties in wealth accumulation trajectories; and gendered experiences in divorce and inheritance practices[12]. These studies offer important insights into the potential causes and mechanisms for the gendered allocation of wealth. However socio-economic and policy context is important and limits the extent to which these findings can be used to explain the UK experience.

Across, the UK, France and Italy, evidence suggests wealth is becoming increasingly individualised, i.e. treated not as a collective resource, but as belonging to specific household members[13]. Lersch has further found that within marriage in Germany, men's, and younger cohorts of women's (born after 1965) subjective financial well-being was more closely associated with their personal wealth than that of their spouses'. In contrast, for women born before 1965, financial well-being was similarly associated with their personal and their spouses' wealth.[14] This seems to be in accord with research on how women value financial independence and autonomy in income sharing arrangements, and that having their own income is very important to their self-esteem[15].

These findings have wider implications. This gendered allocation of wealth may further harm women's political representation, in so far as those that have the resources to be able to influence the political process, are more commonly men. Taken together, this evidence indicates that wealth in the UK is allocated on gendered lines, and this gendered allocation could have harmful consequences on individuals, their relationships, and our society. More can and should be done to both consider and address this important issue.

[12] Waitkus, N., & Minkus, L. (2021). Investigating the Gender Wealth Gap Across Occupational Classes. Feminist economics, 27(4), 114-147; Lersch, P. M., Jacob, M., & Hank, K. (2017). Parenthood, gender, and personal wealth. European Sociological Review, 33(3), 410-422; Bessière, C. l., & Gollac, S. (2023). The gender of capital : how families perpetuate wealth inequality. Cambridge, Massachusetts: Harvard University Press.

[13] Kan, M. Y., & Laurie, H. (2014). Changing patterns in the allocation of savings, investments and debts within couple relationships. The Sociological review (Keele), 62(2), 335-358; Frémeaux, N., & Leturcq, M. (2020). Inequalities and the individualization of wealth. Journal of Public Economics, 184, 104145-104118, . Fraboni, R., & Vitali, A. (2019). Gender Differences in Couples' Matrimonial Property Regime in Italy. Journal of marriage and family, 81(4), 885-904.

[14] Lersch, Philipp M. (2017) "Individual Wealth and Subjective Financial Well-being in Marriage: Resource Integration or Separation?" *Journal of Marriage and Family* 79.5: 1211-223.

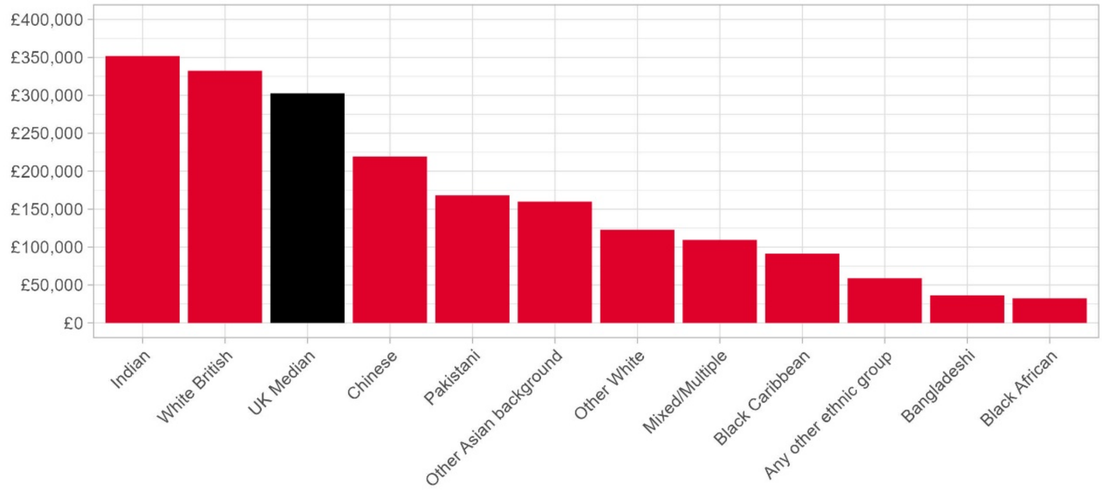
[15] Ashby, K. J., & Burgoyne, C. B. (2009). The financial practices and perceptions behind separate systems of household financial management. The Journal of socio-economics, 38(3), 519-529; Bennett, F., De Henau, J., Himmelweit, S., & Sung, S. (2012). Financial Togetherness and Autonomy Within Couples. In J. Scott, S. Dex, & A. Plagnol (Eds.), Gendered Lives (pp. 97-120). Cheltenham: Edward Elgar Publishing; Bennett, F., & Sung, S. (2013). Dimensions of Financial Autonomy in Low-/Moderate-Income Couples from a Gender Perspective and Implications for Welfare Reform. Journal of Social Policy, 42(4), 701-719; Burgoyne, C. B. (1990). Money in marriage: how patterns of allocation both reflect and conceal power. The Sociological review, 38(4), 634-665; Burgoyne, C. B., Clarke, V., Reibstein, J., & Edmunds, A. (2006). 'All my worldly goods I share with you'? Managing money at the transition to heterosexual marriage. The Sociological review, 54(4), 619-637; Kapelle, N., Nutz, T., Tisch, D., Schechtl, M., Lersch, P. M., & Struffolino, E. (2022). My Wealth, (Y)Our Life Satisfaction? Sole and Joint Wealth Ownership and Life Satisfaction in Marriage. European journal of population, 38(4), 811-834.

4: The racial wealth divide

There is a growing recognition that wealth inequality is deeply entrenched along racialized lines, and indeed, there is evidence from the US that these divisions may be increasing in the context of inflating asset prices which are disproportionately benefitting white American households[16]. In the UK, the Runnymede Trust's (2020) *Colour of Money* Report marked an important step in exposing the significance of racial wealth inequality in the UK. This used data from the Wealth and Assets Survey (2014-16) to demonstrate that for every £10 of wealth held by the median white British household, the median Bangladeshi and Black African households had only £1. Black Caribbean households were only slightly better off. These differentials are far greater than well publicized income differences by racialised groups.

Regrettably, analysis using the most recent data shows a largely unchanged picture. Figure 5 shows that households with a Black African or Bangladeshi household reference person (HRP), continue to fare particularly badly, with approximately 10% of the wealth of the median household with a White British HRP. All other households with a non-White British HRP have lower than average median household wealth, with the exception of households with an Indian HRP who have marginally greater.

Fig 5: Median household wealth by ethnicity of the household reference person, 2018-20



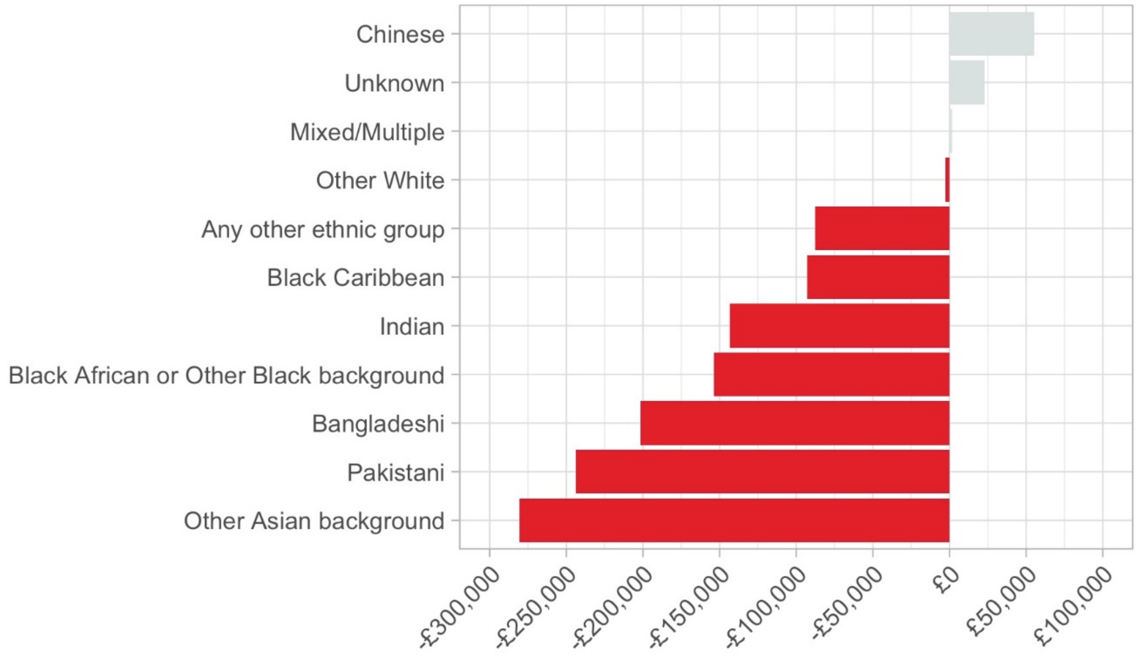
Notes: Confidence intervals are not provided in the source data, however it is noted that the reliability of the data for households with a Bangladeshi or Chinese HRP is low due to the small sample size. White British, 15192; Other White, 520; Mixed/Multiple, 128; Indian, 225; Pakistani, 132; Bangladeshi, 43; Other Asian background, 87; Black Caribbean, 93; Black African, 149; Chinese, 47; Any other ethnic group, 141; Total, 17541. Results are not reported for the 'Other Black background' group or those with unknown ethnicity, thus the unweighted frequencies do not sum to the total. Results for 'Other Black background' have been suppressed by the data publisher because the survey sample size is less than 30 households.

Source: Table 1, Household Wealth by Ethnicity: Great Britain, April 2018 to March 2020, Office for National Statistics, Wealth and Assets Survey, 2022

Headline racial wealth gap figures need to be treated with care. For instance, households with an Indian HRP who appear from Figure 5 to be wealthier than White British households, actually have £143,100 less wealth when controlling for other demographic factors. Figure 6 shows that households with a Pakastani or Other Asian background HRP, become some of the most disadvantaged groups when other demographic factors are controlled for.

[16] Derenoncourt, E., Kim, C.H., Kuhn, M. and Schularick, M., 2022. *Wealth of two nations: The US racial wealth gap, 1860-2020* (No. w30101). National Bureau of Economic Research.

Fig. 6: Modelled difference in mean total household wealth compared with White British by HRP ethnicity when controlling for other demographic factors



Notes: Results presented are least square mean estimates from linear regression modelling where total wealth was the dependent variable and independent variables were ethnicity, age, sex, educational level and socio-economic classification (NSSEC) of the HRP, household composition and housing tenure. The bars in red are statistically significant, bars in grey are not. Statistical significance is interpreted if the interval between 2.5th and 97.5th percentiles (estimated via bootstrapping) does not contain zero.

Source: Table 1, Household Wealth by Ethnicity: Great Britain, April 2018 to March 2020, Office for National Statistics, Wealth and Assets Survey, 2022

These inequalities can be attributed to specific histories of wealth acquisition (such as different propensities and attitudes to home ownership, as well as towards debt and inheritance), as well as differential migration histories, propensities to remit resources etc. This is testimony to the way that the racial wealth divide is embedded in long term historical forces. The most obvious example is the enduring impact of slavery on the wealth distribution. At its peak, the proceeds of slavery contributed 11% to the UK economy. The Abolition of Slavery Act in 1833, required compensation totaling £20m to be paid to the UK's 47,000 slave owners[17]. Whilst estimates vary in what this would be worth today, it was equivalent to 40% of the national budget at the time, an extraordinary sum, for which the UK taxpayers were continuing to pay for until 2015. Thus, the white beneficiaries of the slave trade both built their wealth on the backs of others, and then received substantial monetary compensation for no longer being able to do so. Whilst it is difficult to estimate how this devastating historical injustice has impacted the current distribution of wealth in the UK, there is little doubt many descendants of the beneficiaries of the slave trade maintain a position of sustained advantage in British society today. In sharp contrast, as Figures 4 and 5 show, people of Black African and Black Caribbean heritage remain amongst the least wealthy in British society.

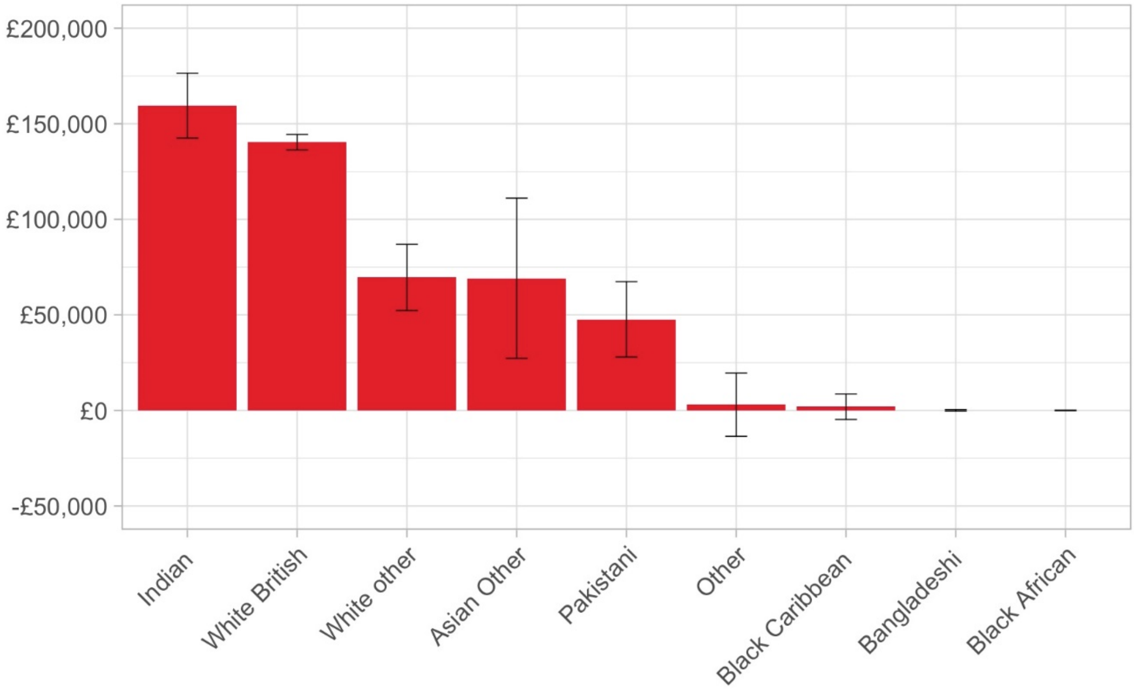
Stark headline differences in wealth by racial groups are startling, but it can be dangerous to treat racialised groups as a whole since there are likely to be large wealth differentials within any of

[17] Rönnbäck K. On the economic importance of the slave plantation complex to the British economy during the eighteenth century: a value-added approach. *Journal of Global History*. 2018;13(3):309-327. Heblich, S., Redding S., and Voth, H. (2023) Slavery and the British Industrial Revolution. CEPR https://cepr.org/voxeu/columns/slavery-and-british-industrial-revolution; Olusoga, D., (2018) The Treasury's tweet shows slavery is still misunderstood. The Guardian. 12 Feb 2018. https://www.theguardian.com/commentisfree/2018/feb/12/treasury-tweet-slavery-compensate-slave-owners

them. The III commissioned Eleni Karagiannaki from the LSE's Centre for the Analysis of Social Exclusion, to break down racialised wealth divisions using the panel survey *Understanding Society*[18]. The unusually large sample size, together with oversampling amongst minority ethnic groups makes it possible to explore ethnic wealth differentiation in a much more finegrained way. This exercise underscores the extent of the racial wealth divide. Figure 7 shows that the median individual in the Bangladeshi, Black Caribbean and Black African ethnic groups live in households with no significant wealth assets, whereas the median individual in the White ethnic group has a household net worth of £138k, and from the Indian ethnic group a net worth of £160k.

Karagiannaki also shows that at the bottom of the distribution, individuals from all ethnic groups live in households with negative net worth. Nonetheless, the depth of that net debt is much greater for people of in Bangladeshi, Asian: Other, Black Caribbean, Black African and Other ethnic groups. Once we reach the bottom 25th percentile, people in White and Indian ethnic groups live in households with a small positive net worth, compared to all other groups who live in households with close to zero net worth, or negative net worth. People of Bangladeshi and Black African ethnic groups fare particularly badly.

Fig. 7: Median net worth by ethnic group



Notes: The measure of wealth is household net worth and defined as the sum of total net household financial and net household housing wealth (defined as the value of the main property owned by the households net of any outstanding mortgages or loans on these asset). The unit of analysis is individuals. The sample sizes in decreasing order are: White or White British (25,530), Indian (1,214), Pakistani (1,067) and Bangladesh (585), Other Asian (including Chinese and any other Asian or British Asian ethnic groups 428), Black Caribbean (540), Black African (744), Other (802) (mainly mixed parentage but also gypsy and travelers, Arabs and other ethnic group).

Source: Extracted from Figure 3, Karagiannaki, 2023, Analysis of the Understanding Society wave 8 (2016-2017).

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[18] Karagiannaki, E., (2023) The scale and drivers of ethnic wealth gaps across the wealth distribution in the UK: evidence from Understanding Society. International Inequalities Institute. http://eprints.lse.ac.uk/119885/1/III_Working_Paper_97_Karagiannaki.pdf. Since Karagiannaki, in accordance with Understanding Society refers to ethnic groups, we use this term in the relevant parts of this text.

Furthermore, ethnic groups vary in holding different types of assets and debts. This matters since some kinds of debt can be used to lever wealth assets. This is especially important with respect to property ownership which has delivered large price gains and where there are large ethnic disparities in homeownership rates. The group with the highest homeownership rates is the Indians (74 percent) followed by Whites (at around 69 percent). By comparison home ownership rates for Black Africans (19 percent), Bangladeshis (26 percent) and Caribbeans (36 percent) fall well behind.

Ethnic minorities not only are less likely to hold high-return assets, but they are also more likely to hold financial debt. This especially applies to Bangladeshis, Black Africans and Black Caribbean (68-70 percent). Black Africans have a much higher exposure to high-cost liabilities such as credit card debt and overdrafts. Student loans are also unevenly distributed: these are reported by 17 percent Black Africans compared to 12-13 percent of Bangladeshis, other Asians and Black Caribbeans, 10 percent of Pakistanis and just 8 percent of Whites and Indians. In addition, ethnic minority groups are less likely to have a workplace pension. Not only does a lower proportion of ethnic minorities have a workplace pension but on average ethnic minority groups have less invested in private pensions. Further, those already in receipt of pensions have a sizeable pension income gap. This evidence suggests that the scale of the already sizeable racial wealth divide may be further worsened by the inclusion of pension assets. This gap appears to be driven by a combination of distrust in the organizations to protect their interests, and financial necessity[19].

Taken together these findings suggest the idea that differing accumulation circuits may operate for different racialized communities. On the one hand, established, older white British households, who have accumulated wealth through long term owner-occupied housing might be in a position to consolidate their gains, and also to pass on wealth to their children. By contrast, immigrant households, often from non-white groups, who have not benefitted from longer term asset price inflation may be unable to obtain such long-term rewards and will be less able to pass on their assets. Younger people from non-white backgrounds, even if they obtain reasonable income levels, will find it harder to gain access to owner occupied housing, and are more liable to student debt.

[19] O Regan, N., Bhattacharya, A., Salutin, G., Corfe, S., (2023) Squeezed out or opting out? Understanding ethnic differences in use of financial products and services. The Social Market Foundation. London. https://www.smf.co.uk/wp-content/uploads/2023/01/Squeezed-out-or-opting-out-February-2023.pdf; LGIM (2022) Just don't mention the pension: the ethnicity pensions gap https://www.lgim.com/landg-assets/lgim/capabilities/defined-contribution/dc-retirement-solutions/the-ethnicity-pensions-gap-report.pdf; The People's Pension (2020) Measuring the ethnicity pensions gap. https://thepeoplespension.co.uk/info/wp-content/uploads/sites/3/2020/01/Measuring-the-ethnicity-pensions-gap.pdf

5: Social mobility and the class wealth gap

As we have already emphasized, wealth has a strong persistence across generations and families, as it can be accumulated over time and transmitted intergenerationally[20]. This is aptly demonstrated by the fact that the children of the wealthiest fifth of parents in the UK are eight times more likely to end up in the wealthiest fifth themselves, compared to the children of the poorest fifth of parents[21]. Inheritance is itself becoming the key driver of wealth acquisition, and inheritance - rather than savings derived from income - constitutes the majority share of all private wealth in the UK[22].

It is vital to recognise that this situation is getting dramatically worse. The value of inheritances has doubled in the past two decades and is set to double again in the coming twenty-year period[23]. High homeownership rates amongst the baby boomer generation (born between 1946-1965) now mean that inheritances are set to be more widely distributed than ever before. Yet they are also set to become even more unevenly distributed and will play a greater role in blocking wealth-based social mobility. Inheritances account for around a quarter of inequality in lifetime consumption by parental background for the 1960s birth cohort, which rises to a third for those born in the 1980s[24].

A particularly powerful form of inheritance takes the form of 'inter-vivos' intergenerational wealth transfers. These are wealth transfers made during the lifetime of the grantor, mostly between family members, and generally gifted from older to younger members[25]. They can be considered a form of early or pre-emptive inheritance. The prevalence of inter-vivos wealth transfers is on the rise and just as with bequests, these gifts are unequally distributed by family wealth; around 15% of adults in the highest wealth quintile report making a gift, compared to 5% of adults in the lowest wealth quintile[26].

These early transfers really matter as they help lever in advantages to those young adults fortunate enough to be in receipt of them. They are generally received at a much more beneficial time in a beneficiary's life compared to bequests, which are received on average at the age of 61[27]. Individuals are most likely to receive inter-vivos transfers during their twenties, and can fund major, advantageous life choices, such as in gaining educational qualifications, purchasing homes, support for child rearing and labour-market risk taking[28].

We have conducted original analysis of *Understanding Society* which shows, for the first time, that there is a strengthening class wealth gap. The adult wealth stocks of those born in the 1960s was predominantly driven by how much they themselves earned, rather than their class background. However, for those born in the 1980s, class background played a much greater role.

We define class using the UK government National Statistics Socio-Economic Classification (NS-SEC), which classifies individuals based on their employment relations and conditions of

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[20] Clark, G., & Cummins, N. (2014). Intergenerational wealth mobility in England, 1858-2012: Surnames and Social Mobility. *The Economic Journal*, *125*(582), 61–85.
[21] Davenport, A., Levell, P., & Sturrock, D. (2021). *Why do wealthy parents have wealthy children*. Institute for Fiscal Studies.
[22] Alvaredo, F., Garbinti, B., & Piketty, T. (2017). On the share of inheritance in aggregate wealth: Europe and the USA, 1900–2010. *Economica*, *84*(334), 239–260.
[23] Corlett, A. (2018). (rep.). *Passing on: options for reforming inheritance taxation*. Resolution Foundation.
[24] Bourquin, P., Joyce, R., & Sturrock, D. (2021). *Inheritances and inequality over the life cycle: what will they mean for younger generations?* Institute for Fiscal Studies.
[25] Hills, J., Bastagli, F., Cowell, F., Glennerster, H., Karagiannaki, E., & McKnight, A. (2013). *Wealth in the UK: Distribution, accumulation, and policy*. Oxford: Oxford University Press.
[26] Boileau, B., & Sturrock, D. (2023). *Who gives and receives substantial financial transfers in Britain?* Institute for Fiscal Studies.
[27] Corlett, A. (2018). *Passing on: options for reforming inheritance taxation*. Resolution Foundation.
[28] Boileau, B., & Sturrock, D. (2023). *Who gives and receives substantial financial transfers in Britain?* Institute for Fiscal Studies. Friedman, S., & Laurison, D. (2019). *The class ceiling: Why it pays to be privileged*. Bristol: Policy Press.

occupation[29]. The class-origin groups used in the analysis and used in figures 8 and 9 are defined in the table below.

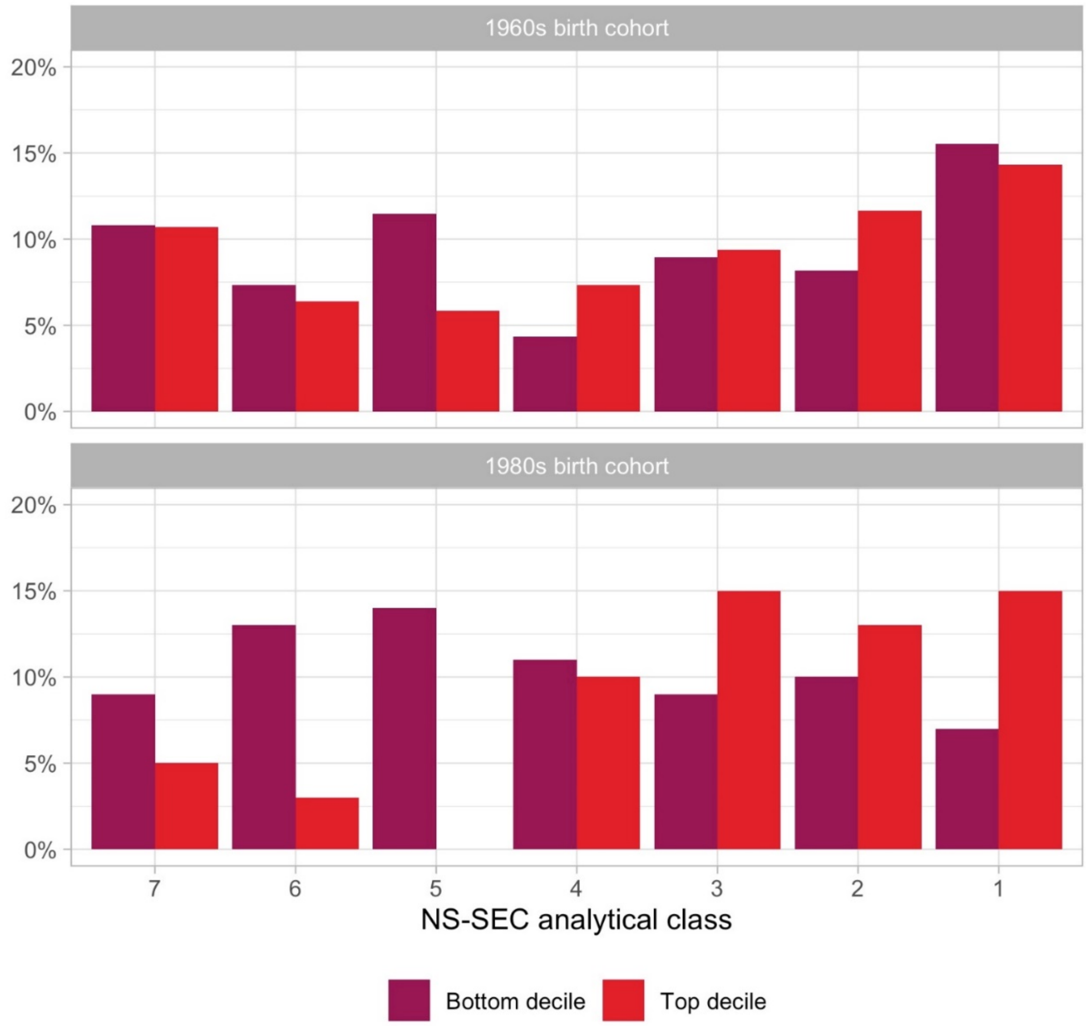
NS-SEC analytical class	Definition	Examples of occupations included in each analytical class
1	Higher managerial and professional occupations	Chief executives, Judges, Medical doctors
2	Lower managerial and professional occupations	Teachers, Nurses, Journalists
3	Intermediate occupations	Secretaries, Electrical technicians, Teaching assistants
4	Small employers and own account workers	Painters and decorators, Taxi drivers, Carpenters
5	Lower supervisory and technical occupations	Chefs, Toolmakers, Plumbers
6	Semi-routine occupations	Receptionists, Postal workers, Retail assistants
7	Routine occupations	Waiters, Bus drivers, Cleaners

Figure 8 shows the proportion by class origin who end up in the top or bottom wealth deciles at age 35-40, distinguishing those born in the 1960s, with those born in the 1980s. Similar numbers of those from upper professional and managerial backgrounds (NS-SEC 1) ended up in the lowest, rather than highest decile. Indeed, it is remarkable to see that nearly 16% of those coming from this advantaged background ended up in the lowest wealth decile, a striking fall from grace. For those from the working-class routine occupational background (NS-SEC 7), as many respondents reached the highest wealth decile as the lowest. The implication is that those who could acquire the highest amounts of wealth were not especially likely to come from privileged backgrounds.

However, there is a dramatic shift for those born in the 1980s. For this generation, far fewer of those born into professional and managerial classes could expect to be in the lowest wealth decile. By contrast, a far higher proportion of those in classes 5, 6, and 7 ended up in the lowest wealth decile, and very few have moved into the top of the wealth distribution. Prospects for acquiring wealth are far more determined by class background than was the case for those born only twenty years earlier.

[29]The National Statistics Socio-economic classification (NS-SEC). (2012). Retrieved from https://www.ons.gov.uk/methodology/classificationsandstandards/otherclassifications/thenationalstatisticssocioeconomicclassificationnssecrebasedonsoc2010

Fig. 8: Percentage of individuals by class origin who end up in the top and bottom wealth deciles at age 35-40



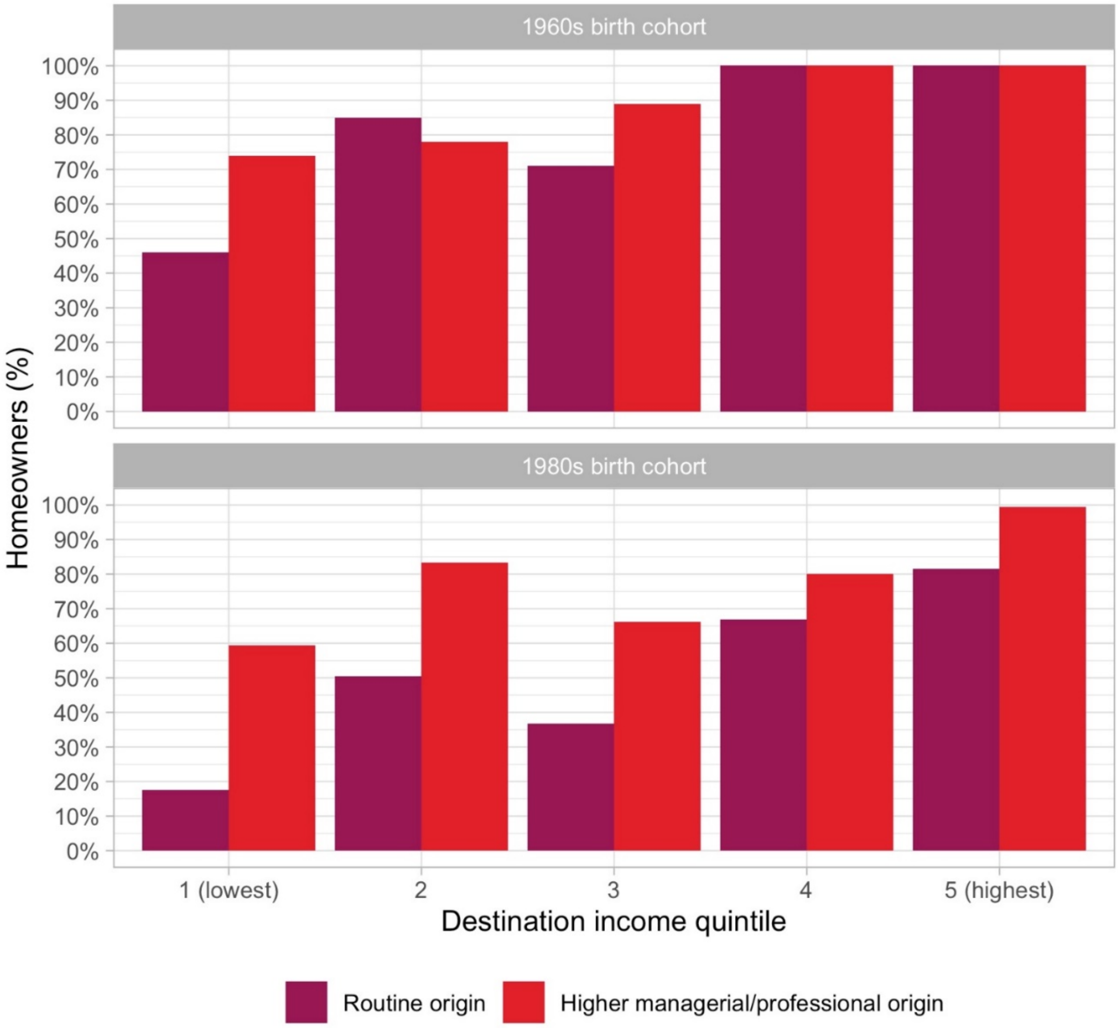
Homeownership is a key factor in driving these trends. The proportion of young people able to become homeowners has been significantly falling over the past few decades and reliance on the ‘bank of mum and dad’, generally via inter-vivos gifts, has increased for younger generations when buying homes[30]. This reliance on parental support has been driving the divergence of homeownership rates by family background and driving wealth inequalities within younger cohorts, as those from less affluent origins remain locked out of the housing market[31].

Our original analysis of Understanding Society shows dramatic shifts in homeownership rates by class origin and destination income quintile. As seen in figure 9, for those born in the 1960s, income rather than class background was the fundamental driver of an individual's chances of becoming a homeowner. The top 40% of earners became homeowners, regardless of class origin. For those born in the 1980s, the situation had changed dramatically. It was much harder for those born into routine class origins to become homeowners, unless they themselves were in the top 40% of earners, and even here, their prospects had fallen. By contrast, those from upper professional and managerial backgrounds were much more able to become homeowners, even if they were badly paid themselves. The implication is that these children were very likely depending

[30] Social Mobility Commission. (2017). *The impacts of family support on access to homeownership for young people in the UK*.
[31] Gregg, P., & Kanabar, R. (2023). Parental homeownership and education: The implications for offspring wealth inequality in Great Britain. *Journal of Social Policy*, 1–26.

on parental support to enter the housing market, in ways that were not available to those from working class backgrounds.

Fig 9. Homeownership rates of the higher managerial/professional origin and routine origin individuals by destination income quintile at age 35-40



These findings reinforce our earlier findings regarding gender and race. It is those with access to historic resources who are most likely to benefit as wealth assets rise. The escalation of wealth facilitates the return of an inheritance-based society, in which social background plays an increasingly important role in affecting children’s futures.

6: Democracy under stress: How wealth divides shape politics in working-class towns

The trends discussed above show how a society oriented towards the interests of wealth holders becomes increasingly distorted, and systematically marginalises those who do not enjoy historic privileges, whether this is seen from the perspective of gender, race or class. The result is that growing cynicism and disengagement from those who feel the system is biased against them.

There is now ample evidence that many citizens are suspicious of the political system. Correlational and experimental studies suggest economic inequality fosters conspiratorial thinking.[32] We have also conducted our own ethnographic research underscoring how those with few assets or opportunities see themselves as political outsiders, to the extent that they may come to understand the political system as fundamentally corrupt.

> "I do thoroughly believe it all comes down to money and money-making somewhere along the line. That is my personal view that there are people who are getting very, very rich off of this pandemic. And just, I don't know, and just while you know, while the rich are getting richer, it does seem like it's getting harder and harder for, for the rest of society."
>
> **Snippet from an interview with a Lab-Con switcher, now planning to no longer vote. Mansfield, 2021.**

Hilhorst conducted interviews with 121 residents and civic leaders in the post-industrial towns of Mansfield and Corby.[33] The towns lost their core industries of mining, textiles and steel from the 1980s onward and are now seen as social mobility 'cold spots', where a child from a disadvantaged socioeconomic background would have comparatively fewer opportunities to do well later in life.[34] In these parts of the country, where wealth is very limited, the increasing barriers to homeownership for the younger generation functioned narratively as an index of decline. Ex-miners recall owning a house by 18 and having paid off the mortgage by 24. For a brief period in the 20th century, the labour power of miners had been such that they could rapidly build up assets. This was repeatedly contrasted with the younger people who were forced to rent or living with their parents well into adulthood, despite working hard. Politicians' perceived inaction in the face of worsening living conditions fuelled a sense that they were not "in it" for the right reasons and were failing to serve the communities that had elected them. This fuelled political discontent and made some question whether it was worth voting at all.

Focus groups and polling tend to show that many admire the wealthy and oppose efforts to tax excessive wealth. Many defend billionaires, especially when these are perceived to have attained their wealth through hard work.[35] Yet ethnographic work in post-industrial towns also offers clues

[32] Casara, B. G. S., Suitner, C., & Jetten, J. (2022). The impact of economic inequality on conspiracy beliefs. *Journal of Experimental Social Psychology*, *98*, 104245. https://doi.org/10.1016/j.jesp.2021.104245
[33] Hilhorst, S. (2024). Afterlives of legitimacy: A political ethnography of two post-industrial towns in England [unpublished PhD thesis]. London School of Economics and Political Science
[34] Social Mobility Commission. (2017). *State of the nation 2017: Social mobility in Great Britain*. Available online: http://www.gov.uk/government/publications.
[35] Hebden, P., Palmer, R., & O'Hagan, E. M. (2020). *Talking Tax: How to win support for taxing wealth*. Tax Justice UK. https://www.taxjustice.uk/uploads/1/0/0/3/100363766/talking_tax_-_how_to_win_support_for_taxing_wealth.pdf; Davis, A., Hecht, K., Burchardt, T., Gough, I., Hirsch, D., Rowlingson, K., & Summers, K. (2020). *Living on Different Incomes in London: Can public consensus identify a 'riches line'?* Trust for London.

as to when and why (some) of the super-rich are criticised. In Mansfield, an evocative local example was Sports Direct owner Mike Ashley. Ashley's large Sports Direct distribution centre is located near Mansfield, in the former pit village of Shirebrook, where it is a major employer. The company has repeatedly been found to offer poor working conditions, low wages and little security for its largely immigrant workforce. Ashley, to many local people, was an example of the excessive power and privileges of the rich. His presence served as a stark reminder of inequalities in wealth, particularly for those living under his flight path, who could hear his helicopter overhead when Ashley commuted to work.

Meanwhile, homeowners' small asset holdings may inspire a defensive politics, especially in stagnating, deindustrialised regions. Some of the older homeowners interviewed had become preoccupied with immigration, disorder and racialised images of decline.[36] This echoes findings by Adler and Ansell, who document political differences between those whose homes are booming in value and those who own a home in stagnant housing markets. Even these comparatively moderate forms of wealth inequality between homeowners result in pronounced political divergences. In the 2016 EU Referendum, homeowners in areas with fast-rising house prices backed Remain, while those in stalling areas backed Leave.[37] According to the authors, this speaks to a connection between depressed trajectories of asset value and local cultures of political resentment.

Quantitative data paint a similar picture. Across rich democracies, working-class citizens are more likely to perceive widespread corruption, despite experiencing corruption at rates which are low in absolute terms and lower than their middle-class peers (ibid.). The view that politics is corrupt, which appears to be widespread among disempowered citizens, serves to delegitimate the political system, with potentially severe consequences.

> Interviewer: What would it take for someone to convince you it's worth voting?
>
> Martin: Like I say, somebody's got to come along and you've got to truly believe in what they're saying and don't tell lies and do what they're saying they're going to do. It's sort of, they don't... The politicians don't understand because, a lot, because they're on mega-money compared to what working-class people are. So they haven't got a clue how you live. They couldn't do it, I don't think.
>
> Interviewer: Why do you think it's always these rich people that get elected?
>
> Martin: Well, it's the old school-tie thing, isn't it? It's very rare that, you know, people are working class, what gets up to sort of be a politician. It seems to be them and us, they want you down there sort of thing, under the thumb.
>
> **Snippet from an interview with a non-voter, Mansfield, 2021**

These findings dovetail with national-level data on attitudes to British democracy. Only 17% of the UK public are highly satisfied with how the political system is functioning.[38] These worrying shifts directly coincide with the public feeling that "the very rich" have the most power to influence the

[36] Hilhorst, S. (2024). Afterlives of legitimacy: A political ethnography of two post-industrial towns in England [unpublished PhD thesis]. London School of Economics and Political Science
[37] Adler, D., & Ansell, B. (2020). Housing and populism. *West European Politics*, *43*(2), 344–365. https://doi.org/10.1080/01402382.2019.1615322
[38] Duffy, B., Murkin, G., Hewlett, K., Wright, J., & Stoneman, P. (2023). *Democracy in theory and practice: How UK attitudes compare internationally*. King's College London. https://doi.org/10.18742/PUB01-127

course of events – even ahead of the national government (39% vs 24%).[39] Admittedly, we need to be careful not to draw a causal link. Scheve and Stasavage have argued that democracies do not necessarily reduce wealth inequality and wealth inequality is not necessarily incompatible with democracy.[40]

The popularity of corruption talk and conspiracy theories among less privileged groups points to a sense of political disempowerment, which has a basis in empirical fact. There is now widespread recognition across the globe that wealthy elites are able to exert great political influence, a phenomenon often identified as 'elite capture' of states and governments. The wealthy have clear incentives to use their resources to influence politics, even if only to protect their assets from redistribution. This can create powerful feedback loops between politics and economic inequality, as over time 'extractive' political institutions help produce 'extractive' economic institutions. This can then become an 'inequality trap', in which wealth generates power, which in turn is used to allow the wealthy to become wealthier, and which will stymie policy solutions[41].

Wealth is becoming an increasingly important political resource. It can be used outside of elections, whether in regulated and socially sanctioned activities like lobbying, through to deliberately corrupt payments, and the grey areas in between those poles. And, of course, more clandestine forms of giving contain the possibility not only of preferential treatment but also trust-undermining scandals (such as the various 'cash for questions', 'cash for honours' or 'cash for access' media events in recent British political history).

Wealth affects who has time and energy to stand as political representatives. Bukoldi et al, for example, show the disappearance of people with an adult experience of working class life from UK Labour (shadow) cabinets since 1945: only 6% of Labour's (shadow) cabinets born after 1950 came into parliament from less advantaged jobs, compared with 60% of the population.[42] Cagé has found that an overrepresentation of elite politicians depresses turnout among more marginalised groups.[43] There is a similar story in the media sphere: a recent study by the Reuters Institute used focus groups with working class people in the UK to find a lack of trust rooted in perceptions of a gap between working class communities and the media (e.g. 'News media were rarely seen as catering to the entire public so much as reinforcing the interests of those already most privileged and powerful').[44] Wealth is only one of the ways through which social class is constituted, but we can expect increased wealth inequality to exacerbate perceived gaps in interests and life experiences which underpin these problems of representation.

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[39] APPG on Inclusive Growth. (2023). *Towards the manifestos: What's the agenda for fixing poverty and tackling inequality?* https://www.inclusivegrowth.co.uk/wp-content/uploads/2023/07/towards-the-manifestos-solutions-for-tackling-poverty-and-inequality-full-report.pdf

[40] Scheve, K., & Stasavage, D. (2017). Wealth Inequality and Democracy. *Annual Review of Political Science*, *20*, 451–468. https://doi.org/10.1146/annurev-polisci-061014-101840

[41] For extractive institutions, see Acemoglu, D., & Robinson, J. A. (2012). *Why Nations Fail: The Origins of Power, Prosperity and Poverty*. Profile Books; for 'inequality traps' see Bourguignon, F., Ferreira, F. H. G., & Walton, M. (2007). Equity, efficiency and inequality traps: A research agenda. *The Journal of Economic Inequality*, *5*(2), 235–256. https://doi.org/10.1007/s10888-006-9042-8. Many of these general concerns about inequality and political capture have been detailed and tested with respect to the US case: Gilens and Page (2014) find evidence for "economic-elite domination" in the outsized influence of high-income citizens' policy preferences compared with the median voter; Hacker and Pierson (2010) focus instead on the role of highly resourced organised interests in dominating "winner-take-all politics" to produce a "winner-take-all economy".

[42] Bukodi, E., Evans, G., Goldthorpe, J. H., & Hepplewhite, M. (2023). *The changing class and educational composition of the UK political elite: Cabinets and shadow cabinets since 1945 and implications for representation*. OSF Preprints. . Here "more advantaged jobs" refers to professional and managerial roles, corresponding with National Statistics Socio-Economic Classification (NS-SEC) classification 1 and 2; "less advantaged professions" includes NS-SEC classifications 3-7, including intermediate, self-employed and working class roles.

[43] Cagé, J. (2022). 'Political inequality: Reasons for optimism'. IFS Deaton Review. https://ifs.org.uk/inequality/political-inequality-reasons-for-optimism/

[44] Ross Arguedas, A., Banerjee, S., Mont'Alverne, C., Toff, B., Fletcher, R., & Nielsen, R. K. (2023). *News for the powerful and privileged: How misrepresentation and underrepresentation of disadvantaged communities undermines their trust in news*. Reuters Institute for the Study of Journalism. https://doi.org/10.60625/RISJ-JQNY-T942

Concluding remarks

This report demonstrates the imperative need to tackle the accumulation of private wealth. We have exposed what we see as the wealth inequality iceberg, the opaque and hidden ways in which wealth entrenches structural divides around gender, race and class. Where we are able to consider trends over time, as for class, then these divides are intensifying. The need to tackle wealth inequality is therefore an issue of overarching importance.

Concentrations of wealth corrode social trust and well-being and especially are likely to affect the political behaviours, perceptions and identities of less affluent voters. This is a subtle process. Voters are not mobilising against inequalities of wealth per se, as focus groups and polling tend to show that many admire the wealthy, oppose efforts to tax excessive wealth, and even defend billionaires' wealth. Yet a growing empirical literature across disciplines testifies to the corrosive effects of wealth inequality on politics. In the UK, participation in democratic processes is increasingly stratified along lines of asset ownership. Ansell and Gingrich found that over time, homeowners have become much more likely to vote in UK elections than non-homeowners (a gap of more than 20 percentage points since the mid-2000s).[45] This has implications for the efficacy of these different segments of the electorate, as well as indicating potentially meaningful differences in their *sense* of their efficacy.

These findings open up a second front for campaigners and policy makers. The first front focuses on wealth's distributional inequities, notably the extreme divides it generates between those with high levels of wealth and the substantial numbers of those with little or no wealth. The second front - which recognises wealth as the inequality iceberg - focuses on how these inequities pose challenges for social cohesion, notably because they entrench numerous structural divides. In arguing for the need for a systemic social analysis of wealth inequality, we seek to renew a vision which disputes that wealth assets can be treated as a private resource, and which insists on the need for treating wealth as a collective and public good.

[45] Ansell, B and Gingrich, J. (2022). Political inequality. London: Institute for Fiscal Studies. Available at: https://ifs.org.uk/publications/political-inequality

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