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The super-rich are still soaring away

Posted by [Danny Dorling](#) - 27 April 2010 12:00

It is not sustainable for social inequality to continue to rise at its current rate.

Has anyone noticed that this week we entered the end of times? You know, when the impossible begins to happen: all that is solid turns into dust - that kind of thing? There had been signs for some time. Things began to happen that simply could not continue.

Take immortality for a start. The most recent figures for life expectancy in the Royal Borough of Kensington and Chelsea saw life expectancy rise by more than a year in a year last year. Randeep Ramesh, [writing in the Guardian](#) on Wednesday noted that in 2008, a female born in London's exclusive Kensington and Chelsea could expect to live until 88.9 - a year earlier she would have reached 87.8. That's an increase of one year (and just a tad more than one month) in life expectancy of women across that entire area. What's strange about that you might ask? Well, what would happen if it were to continue? People in the Royal Borough, women at least, would never die! Are the residents of Kensington and Chelsea becoming immortal or are we currently living in the strangest of times? I opt for the latter.

In Glasgow, over the same period, life expectancy rose by less than one month, from 77.1 to 77.2 years for women in the three years ending 2007 to the three ending 2008. These are the latest figures that ONS release. That same estimate fell from 70.8 to 70.7 for men living in Glasgow although such a small fall might be due to chance. Britain has yet to experience what is already happening in the USA: absolute falls in life expectancy in certain areas, children just beginning to live shorter lives than their parents in the poorest of places - while the rich and super-rich still pull away and see their lives stretch out ever further ahead of them.

However, it is not so much the stalling of improvements to living standards in the poorest of areas that is pointing towards an end to times as we have known them, but what is happening in the richest of areas. In talks in recent weeks I have been commenting on house prices in Central West London and saying how remarkable it was that while housing prices across many parts of Britain are falling, they have been rising, by as much as £200,000 for a two-bed flat a year, again in that Royal Borough of Kensington and Chelsea (from around £500,000 a flat in 2008 to well over £700,000 a flat in 2009). Then this weekend [the Observer published a map](#) showing those flats standing at an average price of £821,496 as of January 2010, What?! another £100,000 pound a piece for even average pieces of property in that part of London London? What's going on?

The *Sunday Times* finally gave us a clue in its publication of the annual Rich List (also this weekend). The wealth of the super-rich in Britain had risen by 29.9 per cent in the year to 2010. It is now said to stand at £335.5bn for the best-off 1,000 people combined (or £3.3bn each is shared out "fairly"). [The Daily Telegraph](#) nicely summarized what the *Sunday Times* was reporting

OK - how sustainable is that? Take a 29.9 per cent annual rise in wealth and apply it again to the super-rich. Within four years, their wealth would double to £955bn in total. In just 22 years they would hold some £106trn between the 1,000 of them. You start running out of planets at this point. Short of extra-terrestrials coming down from space delivering pallets of gold to the most wealthy people in Britain there is no way in which the current excesses of the rich can be continued. Even for only a few years. The best off 1,000 people each picked up an extra £77m last year - that's £77m a piece (net of all outgoings). Next year that will be an extra £100m each for the 1,000 people at the top of the rich list unless this acceleration in inequality abates.

It will end because it has to - because it is not physically, not humanly, not even biologically possible for our current rates of inequality to continue to rise as they are rising. The rich are profiting by lending money to struggling governments at exorbitant rates. Prices are rising so quickly in Kensington because the pound has fallen so overseas super-rich are moving in ("investing" from abroad). Life expectancy is rocketing in the most affluent of places because any one who is not hitting all the jackpots there has now to leave, they cannot afford to stay. But soon the very rich will have to move home too, to make room for the new super-super-rich.

Oh - vested interest - I've written a book about it: *Injustice: why social inequality persists*. [It came out last week](#). It was printed just a few weeks early and all the facts checked out fine then - but, already, it looks conservative in what it was describing. I don't think the super-rich had the accuracy of my data at heart when they strove to become so much more affluent in such a short amount of time.

When the BBC reported the super-rich seeing their wealth rise more than it has ever been recorded to before, at 10.29pm as the last story on the Sunday night news, they suggested that this was good news - a sign that the economy recovery was happening. It makes you wonder how they would report a plague of frogs falling from the sky, or an ash cloud, say. Do we need to start wondering around and saying the end of nigh? Or should we start looking at where the solution to some of our problems of national debt might lie - very close to home?

Danny Dorling is author of Injustice: why social inequality persists, published by Policy press in April 2010

1 comment from readers

mount

27 April 2010 at 13:44

come the apocalypse...

but hey it needn't be all bad