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THE BILLIONAIRE BOOM

Capital as Power and the Distribution of Wealth

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Introduction

Undoubtedly, the pandemic will prove to be a landmark moment in the history and politics of the distribution of wealth. Indeed, during the pandemic, the world's billionaires increased their net worth to unprecedented historical heights. This was an impressive feat for the world's richest, who took to celebrations by launching themselves into outer space, hosted factory mega-raves, and perhaps more prudently sailed away from the virus on their mega-yachts during the mass suffering caused by the global health crisis.[1] Whether billionaires have profited *during* the pandemic, or whether billionaires have profited *from* the pandemic may be difficult to detect with any certainty. However, we know that the accumulation of billionaire wealth has transcended previous orders of magnitude set before the crisis. As Sharma notes, the "total wealth of billionaires worldwide rose by US$5 tn to US$13 tn in 12 months, the most dramatic surge ever registered on the annual billionaire list compiled by *Forbes* magazine" (2021: np). Even before the pandemic, one observer wrote that billionaire net worth represents "the greatest concentration in wealth since the Gilded Age of U.S. plutocrats at the end of the 19th century" (Wagstyl 2019). The latest pandemic has once again demonstrated that the trend toward increasing wealth inequalities is itself endemic to pandemics. Contrary to how pandemics most often increase economic inequalities, the Black Death was the only pandemic in history to reduce economic disparity among people.. For example, where large-scale pandemics appear to have reduced inequality, Alfani suggests that the mechanism responsible for this reduction lies in the extermination of the poor. The Cholera outbreaks disproportionately affected society's poor, "thus it tended to curtail the lower part of the distribution—which would have led to a reduction in inequality among the survivors even in the absence of any other distributive effect" (Alfani 2020). But beyond the pandemic, critical enquiries

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into the cause and effects of inequality—both within and between nations—have recaptivated the field of International political economy (IPE) and the general public (Di Muzio 2015b; Dorling 2015; George 2010; Milanovic 2018; Piketty 2017, 2019; Wilkinson & Pickett 2011; Shaxson 2011; Standing 2014a; Stiglitz 2012, 2016). At least since the Occupy movement of 2011, there has been significant interest in the rise of the so-called 1 per cent and popular concern that the levels of socioeconomic inequality experienced in the 21st century are set to increase over time, creating an even greater divide between billionaires and the rest of global society (Piketty 2017). Given the fact that their levels of wealth are on public display (for instance, on *Forbes* and *Bloomberg*), even the billionaire class fears a societal backlash (Neghaiwi and Jessop 2021). But why care about economic inequality, and furthermore, do the billionaires really deserve their wealth, and if so, on what basis? According to the United Nations:

> Inequality threatens long-term social and economic development, harms poverty reduction and destroys people's sense of fulfilment and self-worth. This, in turn, can breed crime, disease and environmental degradation. We cannot achieve sustainable development and make the planet better for all if people are excluded from the chance for a better life.[2]

There is also evidence to suggest that highly unequal societies are more prone to social problems, are less happy, and contribute to poor public health outcomes (Wilkinson & Pickett 2011). And as we shall discuss below, it is doubtful that the billionaires deserve their wealth based on their individual productivity (Alperovitz and Daly 2008). Thus, what is at stake in this chapter is no less than the question of differential power and wealth, and unequal life chances.

Specifically, this chapter contributes to IPE debates on inequality by shedding light on the rise of the billionaire class before and during the pandemic. In the financial literature, the 1 per cent are labelled "High-Net-Worth-Individuals (HNWIs)". These are individuals who hold at least US$1 mn in investible assets. This being the case, billionaires represent a very exceptional class within HNWIs. By "class", I do not mean to imply that billionaires all share the same interests, worldview, and act unanimously to shape and reshape the world for their own benefit as a class. Although billionaires have not necessarily acted as a class *for itself*, I contend, based on empirical data, that we can consider billionaires as a class *in itself*, defined by their inordinate wealth and power by extension. As of 2021, according to *Forbes* (see figure 2.1 below), there are 2755 worldly billionaires, up from just 13 in 1985, or an increase of just over 21,000 per cent.

Although the number of billionaires increasing over the neoliberal period is plain to see, with a few exceptions, the critical political economy has been slow to account for the rise of this class (Di Muzio 2015b; Petras 2008).[3] In this chapter, I use the capital as power framework to argue that ownership and exclusion (institutional power) rather than individual productivity or the exploitation of workers can help us account for the rise of the billionaire class and its increase in wealth

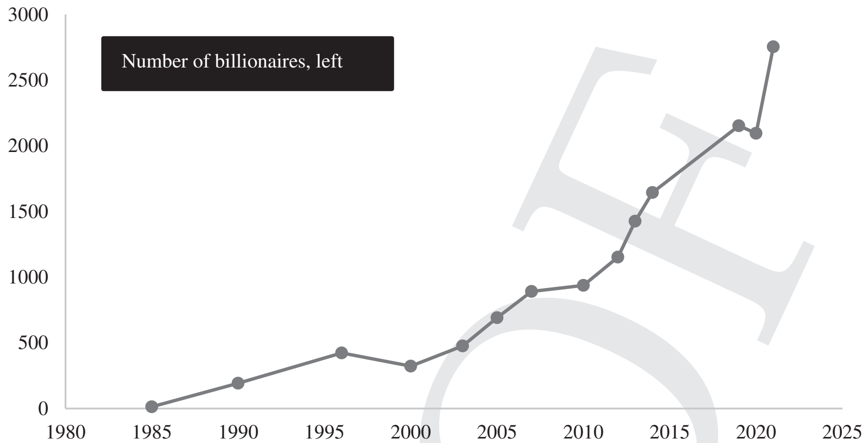

FIGURE 2.1 Rise of the billionaire class in the neoliberal era

Source: *Forbes* World's Billionaire List (compiled by various reports).

throughout the pandemic. However, although ownership and exclusion are key factors in the rapid accumulation of wealth, so too have the unprecedented fiscal stimulus and loose monetary policy of governments and central banks during the pandemic. At least in the United States, there is some survey evidence to suggest that a considerable amount of stimulus checks given by the Biden administration ended up in financial markets, boosting share prices, and thus the wealth of billionaire shareholders like Elon Musk of Tesla (Friedman 2021).[4] This chapter considers two additional main factors: The turn to neoliberalism and rapid technological change. To demonstrate my argument, I have divided this chapter in the following manner. First, I consider the rise of the billionaire class before and during the pandemic. Second, I consider the neoclassical and Marxist understandings of the distribution of wealth and contrast this with the capital as a power perspective before discussing some of the reasons for the rise in billionaire wealth. In the third section, I briefly consider whether billionaires should exist and canvass some recent proposals to address the divide between billionaires and the vast majority of citizens. The chapter then ends with a short conclusion.

The Rise of the Billionaire Class

Far from the virus being *the* "great leveller" of rich and poor alike, as many social and political commentators earnestly professed, the globalisation of Covid-19 has only served to exacerbate and intensify long-standing economic, geographic, gender and racial inequalities across the world (Goldin 2021; Oxfam 2021; Sokol & Pataccini 2020; see also Bousfield this volume). Indeed, the virus has shown that it is by no means a "socially neutral disease", evident in the significant disparities in morbidity and mortality rates experienced across populations (Bambra et al. 2020).

The sweeping yet necessary mobility restrictions enacted by governments worldwide to curb the spread of the virus created the immediate conditions for an economic recession at a level not experienced in almost a century (OECD 2020d). A year on, global growth levels appear to be returning with global GDP projected to grow 5.6 per cent in 2021, thanks largely to the economies of the United States and China. Tellingly, global economic recovery will be experienced disproportionately across the world (IMF 2020; OECD 2020d). It took several years for the world economy to recover from the global financial crisis of 2007–2009 (Tooze 2018). Here too, the super-rich were not exempt from slower recovery rates, requiring just 4 years for wealthy shareholders to bounce back to wealth levels resembling pre-global financial crisis figures (Collins 2020). In comparison, the rate of wealth accumulated since the start of the Covid-19 pandemic has been nothing short of arresting. The world's billionaires experienced a US$700 mn dip in aggregate wealth from US$8.7 tn in 2019 down to US$8 tn at the peak of the outbreak in March 2020 (Forbes 2021a). By April 2020, the total wealth of all billionaires had already recalibrated to near pre-COVID figures. In 2021, the combined net worth of the world's billionaires totalled an unprecedented US$13.1 tn dollars or a growth of 64 per cent since the beginning of worldwide lockdowns (Forbes 2021b), which means since the start of the Covid-19 pandemic, the global billionaires have become US$5.1 tn richer as a class. The resilience of the 1 per cent and their billionaire counterparts may be expressed in part by the burgeoning fortunes of "pandemic profiteers" who are capturing gains in the arenas of technology, global healthcare, and online retail (Collins et al. 2020, Oxfam 2020). These developments point to an inconvenient truth—HNWIs are riding out a markedly different tideof pandemic – and on a comparably bigger superyacht.

The global billionaires are a microscopic and exclusive but growing population of transnationally dispersed elites with both diverse and collective ownership interests who comprise the top of the global wealth pyramid. Though they only account for 0.00002 per cent of the global population, billionaires are disproportionately represented by their vast ownership claims over globalised income generating assets, and the numbers have been rising historically. According to the Forbes annual billionaire list in 2021, there were 2,755 billionaires, which is the first publication to keep a running record of the world's billionaires since 1987.[5] Their numbers climbed up by 660 entries from the previous year for a 24 per cent increase in billionaires. Notably, of those entries, 493 became first-time billionaires during the pandemic, with nine new entrants making their fortunes from vaccinations largely funded by the public purse. Backed by their governments in Germany and the UK, these billionaires are sabotaging cheaper vaccinations for the Global South by jealously guarding their exclusionary patents (Oxfam 2021; see also Andersen this volume).

Billionaire fortunes had been an uncommon but not unprecedented phenomenon, up until the end of the 20th century. American oil tycoon-cum-philanthropist[6] John D. Rockefeller is considered the first official dollar billionaire, a status he achieved through calculated industrial sabotage and consequent monopolisation of the nation's oil industry through the institutional power of Standard Oil (Bichler and Nitzan 2007). Today, there are a growing number of publications that produce datasets that track and rank the world's billionaires by wealth. Although it should be noted that each publication may differ slightly in their methodologies to identify a billionaire, one fundamental feature shared by this exclusive group is that an individual must possess a personal net worth of at least 1 bn units of a major reserve currency, predominantly the U.S. dollar. Financial institutions commonly refer to individuals with investable assets of at least 1 mn dollars as High-Net-Worth-Individuals (HNWIs). In 2020, the total number of HNWIs equalled 1.1 per cent of the global adult population and owned US$191.6 tn or 45.8 per cent of the total pool of global wealth (Credit Suisse 2021: 22). Yet, there exists a steep gradient of wealth even in the top 1.1 per cent of global owners. Billionaires account for only 0.0049 per cent of all HNWIs across the world, yet they own 6.8 per cent of global HNWI wealth. Clearly, billionaires and their wealth claims are significantly vast and far removed from the wealth of other non-billionaire HNWIs. For instance, there is a substantial difference between an individual who owns US$1 mn in investable assets and a billionaire who owns US$1 bn in investable assets. Both are considered HNWIs in the extant financial literature; however, at a ratio of 1:1000, it is unmistakable that the billionaire has greater financial leverage than their millionaire counterparts, so we should be careful not to treat billionaires as possessing similar qualities and abilities to other HNWIs. This leverage lends the billionaire, both as an individual and member of the billionaire class, greater differential control over capitalised assets and greater access to finance. Furthermore, a hierarchy of capitalised power exists within the billionaire class itself. Billionaires with the largest global fortunes have greater claims over the social process than other billionaires that rank further down the list by wealth. For example, the differential accumulation exercised by island owner and Oracle founder Larry Ellison, currently the 7th richest person in the world (US$93 bn), will have a comparatively greater impact than Alibaba receptionist-turned-Chief People Officer Judy Tong Wenhong (US$1 bn) who is tied with 150 other billionaires as the 2,674th entrant on the billionaire list in 2021. Highlighting the hierarchical nature of the global 1 per cent and the hierarchy within the billionaire class itself demonstrates the need for distinct critical inquiries into a largely overlooked group that holds decisive power to reshape broader patterns of social reproduction through their ever-increasing ownership claims of capitalised corporations and their unique access to credit. Specific focus on the apex of the global wealth pyramid is significant in the context of the pandemic for three reasons. First, 2020 witnessed the largest total growth in billionaires since financial publications began recording their annual numbers (Forbes 2018). Second, only in the last few years, the global economy has seen the creation of a handful of centibillionaires.[7] Of the four centibillionaires in this world, three were minted during the global pandemic. Furthermore, the remaining top 10 owners are also teetering on the edge of centibillionaire status (Forbes 2018). Finally, the global billionaire club has increased in membership year-on-year since the 1980s, and yet there have been few critical academic studies to explain the rise of billionaires. To help account for the rise of the billionaire class and the distribution of wealth, I now turn to the capital as a ~~a~~ power framework in ~~the~~ critical political economy.

Capital as Power and the Billionaire Class

Political economy and its mainstream economics counterpart have long sought answers for the distribution of wealth (Nitzan and Bichler 2009: 70ff). As Polanyi (1985: 83) suggests, the question of why poverty goes with capitalist plenty stretches back to the origins of political economy as a field of knowledge, and in his study of capitalism in the 15th to 18th centuries, the great French historian Fernand Braudel also questioned this riddle of disparity:

> Conspicuous at the top of the pyramid is a handful of privileged people. Everything invariably falls into the lap of this tiny elite: power, wealth, a large share of surplus production. Is there not in short, whatever the society and whatever the period, an insidious law giving power to the few, an irritating law it must be said, since *the reasons for it are not obvious*. And yet this stubborn fact, taunting us at every turn. We cannot argue with it: all evidence agrees.
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> *1982: 466 my emphasis*

Outside the capital, as ~~a~~ power perspective to be discussed momentarily, there are two major traditions that have tried to address Braudel's "stubborn fact". First is the neoclassical tradition whose definition of capital is tangible and intangible capital goods that underpin the production process. Along with labour, these goods are considered productive of economic output; thus, the capitalist who owns these goods should be rewarded in proportion to their contribution to the output production. This is encapsulated in the infamous "production function", which argues that if we can discern how much labour and capital contribute to production, we can divide the wealth produced accordingly (Nitzan and Bichler 2009: 69). For example, if labour contributes 50 units of work and capital contributes 50 units of productivity, then we know that the monetary value of the economic output should be divided equally. In sum, each "factor of production" is financially rewarded according to their involvement in production. If we examine this claim with a real-world example, we can start to see the absurdity of the argument. Founder and owner of Tesla and Space Exploration Technologies, Elon Musk, is the world's richest human worth US$279 bn in November 2021.[8] Making up the bulk of his wealth are his ownership claims over Tesla standing at US$198 bn. According to the compensation software and data company, PayScale, the average salary for a worker at Tesla is US$98,000.[9] From the perspective of individual productivity, this comparison would suggest that Musk is 2,020,408 times more productive than an average worker at Tesla. For anyone who has ever worked alongside another person, this strains credulity. There is little doubt that people differ in education, experience, drive, skillsets, ability and intelligence, but to claim that one human is over two mn times more productive than someone else is bizarre and difficult to justify by differential physical acumen or philosophically.[10] Although there is no doubt that Elon Musk contributes to the production processes at Tesla in various ways, there must be another reason for his accumulated wealth than the individual productivity proposed by the neoclassicals (see Fix 2021). A further critique of the production function is that the present value of any capital good used in production is calculated by discounting the expected future profit by the rate of interest and some factor of risk (Nitzan and Bichler 2009: 77). Since present value is calculated based on an expectation, which can vary widely in reality, we can never truly know the precise value of capital goods. Although the production function says that we can know the precise value, it is virtually useless in accounting for the division of wealth.

A second attempt at explaining the division of wealth is the Marxist argument that workers are exploited during the labour process. By exploitation, Marx and Marxists mean that workers are not compensated for the full value of their labour time during the production process. This "unpaid surplus labour" is the source of capitalist profit for Marxists. It follows that increasing profit means increasing the rate of exploitation. This can happen in two ways: The capitalist forces factory workers to become more productive during the working day (create more output for a similar wage), or the capitalist forces the workers to toil for longer hours. Due to this exploitation, it is reasoned that we can understand how workers earn far less than their capitalist counterparts. However, the major problem is that labour time and wages in money are incommensurate units—one is measured in seconds, minutes and hours, and the other in cents and dollars. So there is no way to empirically demonstrate Marx's interpretation of exploitation since labour time would have to be converted into prices.

Furthermore, Marx and Marxists make a distinction between those productive workers who add value to the production process and unproductive workers who merely consume value. However, there is no *objective* way of discerning productive from unproductive labour in capitalism (Nitzan and Bichler 2009: 84ff). Although the Marxist tradition has some appeal in that it tries to theorise the relationship between capital and labour and understand unequal power relations, it fails to provide us with an empirically valid theory of the distribution of wealth. For this reason, I now turn to the capital as power perspective to see how it can contribute to our understanding of the rise of the billionaire class and how they profited during the pandemic.

The capital as ~~a~~ power framework is a novel critical contribution to the study of IPE that aims to remediate existing theoretical gaps concerning the contested concept of *capital*. As we have discussed, both the neoclassical and Marxist camps frame capital as a narrow economic or material entity. As suggested above, while these conceptions offer something, it becomes increasingly difficult to rationalise or critique the magnitude of accumulation experienced by dominant owners by the existing theories of capital.[11] The prevailing neoclassical and Marxist conceptions of capital rest on the premise that capitalism is a mode of production. By doing so, these traditions obfuscate the centrality of capitalism as a *mode of power*. The distinction here is important. A mode of production limits itself to the weight of mechanised and organic labour forms in reconstituting social reproduction, whereas conceptualising capitalism as a *mode of power* emphasises the necessity of organised power and its exertion over the entire socio-political field (Nitzan and Bichler 2009: 263ff). To understand accumulation, we must move away from solely focusing on labour relations and toward the wider exertion of power over a social field. This entails that profit and wealth are not narrowly determined by the production of goods and services but by a wide array of circumstances and factors. Though capitalists do not always get it right, the factors that affect earnings over time are supposed to be priced into the asset's value (i.e. share price). Therefore, the capital as ~~a~~ power perspective focuses on capitalisation as the dominant ritual of capitalism. It is true that capitalists/investors are chasing expected future corporate earnings and that this expectation is discounted into a present share price for the firm. Yet, as Nitzan and Bichler (2009: 208) remind us, earnings are a matter of exercising power over the terrain of social reproduction. To keep with Tesla, the profitability of the company and, therefore, its capitalisation (also known as market value) does not only just depend on producing electric vehicles but on a range of issues such as hype, patent protection, litigation, laws that encourage more electric vehicles, the oil price, and price of electricity, availability of consumer credit and charging stations, free trade deals, the quality of battery life, the rise of competitors such as Lucid Motors and many other factors. Yet, investors are capitalising on the power of Tesla to influence the market and broader society and should this power wane, so too will Tesla's capitalisation and Musk's fortunes, as the majority of his wealth is derived from his ownership of shares in the company. For this reason, thecapital as ~~a~~ power approach understands capital as ~~a~~ *commodified differential social power* symbolically measured in monetary units. In this way, capitalist accumulation does not rest on the accumulation of productive capital goods, nor does it solely rely on labour exploitation during the production process. Instead, capitalist accumulation rests on the capacity of dominant capital to shape, against opposition, social reproduction in their favour (Nitzan and Bichler 2009: 17–18). *Dominant capital* refers to the leading corporations and key government organs at the epicentre of differential accumulation (Nitzan and Bichler 2009: 10). Notably, the very foundation of capitalist accumulation rests on ownership and exclusion (2009: 228). If capital is to be conceived as symbolic of accumulated social power, then accumulation must be understood as a differential process of capitalist development—some accumulate more than others in the hierarchy due to their differential ownership of income-generating assets (2009: 150–151).[12] Thus, the objective for the capitalist is to accumulate more and faster than their rivals trying to do the same (2009: 17–18). And yet the differential accumulation of quantified power commanded by increasing rates of return requires the exponential extraction, reconfiguration, and destruction of our finite earth for private gain and consumption. Herein lies a giant contradiction of capitalist order and the billionaire's place in it: The dollar rate of billionaire private fortunes is a symbolic quantification of this power process that transforms and commodifies nature (Smessaert et al. 2020). Moreover, dominant owners apply the same logic to their consumptive practices, meaning billionaires leave a larger ecological footprint than those with lesser wealth and income. As money is no object, consumption becomes a differential process to out-consume peers at rates that are unsustainable and quantitatively disproportionate to the rest of humanity (Di Muzio 2015a; Kempf 2008; Kenner 2020). Understanding capital *as a mode of power*, where power is measured in money (since money is a claim on society and nature), allows for greater leverage in studying transformative billionaire accumulation and consumption in the 21st century. As suggested above, this power is primarily rooted in private ownership and the right to exclude. As argued by Nitzan and Bichler:

> The most important feature of private ownership is not that it enables those who own, but that it disables those who do not. Technically, anyone can get into someone else's car and drive away, or give an order to sell all of Warren Buffet's shares in Berkshire Hathaway. The sole purpose of private ownership is to prevent us from doing so. In this sense, private ownership is wholly and only an institution of exclusion, and institutional exclusion is a matter of organized power.
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> *2009: 228*

This passage suggests that billionaires are not billionaires because of their individual productivity and contribution to production; the billionaire class exists and has expanded because of their disproportionate ownership claims over powerful income-generating institutions or corporations that act to shape and reshape the socioeconomic fabric in the quest for earnings. If this concentrated ownership and the power to exclude others were ever challenged, then the wealth of the billionaire class would significantly dwindle to zero. To provide one example of how exclusion works to accumulate vast fortunes, consider the case of the pandemic profiteers that became billionaires due to the pandemic (Brenner 2020). According to Fierce Pharma, the industry's daily monitor, Moderna received US$2.48 bn in public money for research and development into a vaccine.[13] Yet, despite the public subsidy, it appears that the CEO and two of its founding (now) billionaire investors want to accumulate even more by sabotaging the availability of the vaccine for the world's poor unless they get their ransom of profit. As Oxfam reports:

> Vaccine billionaires are being created as stocks in pharmaceutical firms rise rapidly in expectation of huge profits from the COVID-19 vaccines over which these firms have monopoly control. The alliance warned that these monopolies allow pharmaceutical corporations total control over the supply and price of vaccines, pushing up their profits while making it harder for poor countries, in particular, to secure the stocks they need.[14]

This passage demonstrates that vaccine billionaires are not just minted by the fact that they have overseen or have invested in pharmaceutical companies that create vaccines, but perhaps more importantly, by their ability to exclude others from accessing a vaccine without going through a steep paywall protected by their patents. A more prominent example of putting profit before people during a global health crisis where the poor are the hardest hit is difficult to find.

Although the institutional power rooted in ownership and exclusion is paramount to explaining the rise of the billionaire class and wealth inequality more generally, other factors are incredibly important to consider.

More than likely, what also contributed to billionaire wealth leading up to and during the pandemic were the record low interest rates which made credit seriously cheap.[15] This has been exceedingly advantageous for the ultra-wealthy who can afford to borrow more and follow the logic of buy-borrow-die, using continuous lines of credits against paper wealth assets to fund their activities and thereby avoid paying taxes on realised gains (Ensign & Rubin 2021).

It is difficult to know how much cheap credit ended up investing in the stock markets of the world. If total stock market capitalisation can be considered a potential indicator of the wealth added to the global economy by access to cheaper credit, then from 2019 to 2020, global stock markets increased by US$15 tn to US$94 tn (up from US$79 tn in 2019).[16] And as we know, with very low interest rates, capitalists are seeking returns in the stock market (see Robbins, this volume).

Other than cheaper credit, another factor to consider is how the transition to neoliberal rule facilitated greater capital mobility and transnationalisation of business accumulation (Gill 1995). At least since the transition to neoliberal world order, the processes of globalisation have helped to further mobilise transnational capital and the dominant owners who control the global circuits of accumulation, value chains and societal reproduction. This is largely manifest in the global spread of neoliberal socioeconomic order since the late 1970s and its dominion over state restructuring in response to the "failures" of Keynesianism in the global North and the debt crisis in the South, instituting market-friendly policies as the new "common sense" (Harvey 2007). Part of this "common sense" has been the rollback of wealth taxes experienced during the Keynesian era, which contributed to capital increasing its share of the wealth generated by society as a whole (Piketty 2017). It also gave capital access to a greater pool of cheap labour as China and other Asian countries went through a period of economic opening.

Another prominent reason for the rise of the billionaire class is how their institutions have piggybacked on decades of government defence spending on research and development. Through defence contracts, the tech corporations of Silicon Valley continue to have a close relationship with the Pentagon.[17] The internet, rapid technological change, disruption to traditional business models, and the overall productivity growth of the economy are largely encapsulated in what economists call the network effect, all can be traced to massive defence spending throughout the Cold War (Wagstyl 2019). The network effect refers to a phenomenon where greater value is created for both companies and consumers as more people join the network or use compatible products. Many technology billionaires like Mark Zuckerberg and Larry Page have profited immensely from the digitalisation of society, the network effect and their monopoly over a platform (Ouellet 2019: 81–94). Like Standard Oil and other trusts, these new monopolies are now being questioned by both citizens and politicians (Kang and McCabe 2020). Not surprisingly, the tech giants are loath to break up their empires, with their monopolies or near-monopolies the chief source of their wealth, influence and power.

Should Billionaires Exist?

It should be clear by now that we have entered a Second Gilded Age where the wealth held by billionaires continues to escalate well above the rest of humanity. Without serious government intervention, this trend is likely to continue in the post-pandemic era, further exacerbating the divide between the ultra-wealthy and the working class. In some quarters, this has prompted the public, politicians and organisations to ask whether billionaires should exist at all. The most famous was Presidential candidate Bernie Sanders who publicly proclaimed that "billionaires should not exist". In one of the Presidential debates, the moderator Erin Burnett asked Sanders if his goal was to tax billionaires out of existence. This is what he said:

> [T]he truth is, we cannot afford to continue this level of income and wealth inequality, and we cannot afford a billionaire class whose greed and corruption has been at war with the working families of this country for 45 years.
>
> *Sanders as cited by Astor 2019*

Although Sanders did not win the nomination, his idea of taxing billionaires to fund social and infrastructural programs in the United States did not die a slow death. Leading the charge now is Senator Ron Wydon, a Democrat from Oregon, who proposed a federal wealth tax for the United States. At the time of this writing, the tax is still being debated, but the crux of the proposed billionaire tax is interesting to consider. The tax would levy a 23.8 per cent charge on the appreciated value of all tradeable assets owned by the billionaire class even if they are not liquidated. Traditionally, billionaires, like other investors, only pay capital gains tax when they sell shares. If the tax passes Congress, what this means is that if a billionaire's wealth appreciates by US$5 bn over a year, then they will be taxed at 23.8 per cent on this amount even if they refuse to sell their shares to realise monetary gains. Moreover, those who make US$100 mn in income over three consecutive years would also be subject to the tax. Senator Wydon suggests that his Billionaires Income Tax would force billionaires to pay taxes every year just like ordinary working Americans (Ponciano 2021). At the time of this writing, it appears doubtful that the proposed bill will pass Congress, given the political opposition and ~~the~~ intense lobbying. Even if it does pass Congress, many anticipate that the tax will encounter significant legal obstacles in the courts and invite innovative legal gymnastics to evade taxation. However, if the tax does manage to pass Congress, not only would it be a historic win for the majority of working Americans who have suffered during the pandemic but also act as a beacon to other democracies questioning the existence of the billionaire class and what this small group tells us about capitalist hierarchy and privilege. Taxation is not the only way to eliminate the billionaire class, but, at present, it appears to be the only major proposal.

Conclusion

This chapter focused on the rise of the billionaire class that has grown in numbers and wealth during the worst scourges of Covid-19. It then considered two major schools of thought that have tried to account for the massive disparity in wealth and power: The neoclassical and Marxist perspectives. It then argued that the capital as power perspective offers a more convincing answer as it focuses on the institutional power rooted in ownership and exclusion. Indeed, private ownership is central to capitalism as the vast majority of the wealth held by billionaires is not in cash, but in the capitalisation of owned income-generating assets. This chapter also considered some additional factors that can help us account for the proliferation of billionaires such as generous fiscal and monetary policies throughout the pandemic, the turn to neoliberalism that favoured capital over labour and the technological revolution rooted in decades of American defence spending that lead to the growth of tech billionaires.[18] I also briefly examined how the wealth of the billionaire class may be challenged by public authorities seeking a fairer and more equitable economy in an age of vast disparity in power, life chances and privilege.

Notes

1 As of July 2021, Amazon founder Jeff Bezos was the world's richest human 4 years running and the first billionaire to launch himself into space with Blue Origin, a private space company he founded in 2000 (Rincon 2021). By late September 2021, Elon Musk officially topped Bezos and sustained the position of the richest individual in the world. In October 2021, the Tesla founder held a 9000-person rave on a whim at his Gigafactory in Berlin (Eede 2020). American business magnate and billionaire David Geffen failed to read the room on March 29, 2020, tweeting from the refuge of his US$590 million megayacht, "Isolated in the Grenadines avoiding the virus. I'm hoping everybody is staying safe." accompanied by sunset-backed pictures of the grand private vessel. Geffen deleted the tweet soon after (Luscome 2020).

2 www.un.org/sustainabledevelopment/inequality/ (accessed November 16, 2021).

3 I do not engage the literature on the Transnational Capitalist Class due to space limitations but see (Van Der Pijl 1998,2012; Gill & Law 1989; Robinson & Harris 2000; Sklair 2001, 2002; Gill 2008; Carroll 2010).

4 I do not discount privatisation of state assets, corruption, and family-ties as a key source of billionaire wealth but note that these ill-gotten resources or gains still end up as ownership claims over an enterprise and thus involve the practice of institutional power and exclusion (Petras 2008).

5 Prior to this, Forbes documented American billionaires in *The Forbes 400* list, which debuted in 1982. Thirteen billionaires were recorded that year.

6 Rockefeller donated US$35 million to develop the University of Chicago, the cradle of neoclassical economics.
7 A centibillionaire has a personal net-worth of at least 100 bn dollars.
8 www.bloomberg.com/billionaires/ (November 16, 2021). It should be noted that his wealth obviously fluctuates with the value of Tesla shares.
9 www.payscale.com/research/US/Employer=Tesla_Motors/Salary (accessed November 9, 2021).
10 One could argue that since Musk is paid in company stock, he is taking on an incredible risk in ensuring the company remains profitable and grows over time to return shareholder value. But here too, we would have to measure risk, and there is no objective way to do so.
11 The term "dominant owners" was introduced by Di Muzio (2015b) to account for those owners with the largest capitalised assets.
12 Anything that can be subjected to the price system can and will be quantified into ownership claims, "everything that can be owned, from natural objects, through produced commodities, to social organizations, ideas and human beings—can also be quantified" (2009: 151).
13 www.fiercepharma.com/pharma/after-nearly-1b-research-funding-moderna-takes-1-5b-coronavirus-vaccine-order-from-u-s (accessed November 9, 2021).
14 www.oxfam.org/en/press-releases/covid-vaccines-create-9-new-billionaires-combined-wealth-greater-cost-vaccinating (accessed November 9, 2021) The alliance refers to The People's Vaccine Alliance, a collaboration of organisations fighting for universal access at affordable prices for the world.
15 https://fred.stlouisfed.org/series/FEDFUNDS
16 https://data.worldbank.org/indicator/CM.MKT.LCAP.CD (accessed November 9, 2021).
17 https://techinquiry.org/SiliconValley-Military/ (accessed November 9, 2021).
18 This chapter has not considered how being White, male, and born in a rich country can also contribute to billionaire status due to space limitations and the fact that this would require a larger study.