

I never expected to go viral just for saying billionaires shouldn't exist

5 • Lloyd Russell-Moyle is Labour MP for Brighton Kemptown

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It was a surprise, to say the least, when a clip of my appearance on BBC Radio 5 Live yesterday went viral, prompting a row on social media and beyond about the existence of billionaires. But perhaps such an outcome should be expected when politicians start talking about other people's money.

10 During an interview on the Emma Barnett Show, I said that I don't think anyone in Britain should be a billionaire. The host greeted my remark with total incredulity. "Why on earth shouldn't people be able to be billionaires?" she countered.

15 To my mind, the notion that billionaires should not exist is rather commonplace, and I am confident it's an idea shared by the majority of the population. After all, the expression "It is easier for a camel to go through the eye of a needle than for a rich man to enter the kingdom of God" is as old as Christianity. And experience tells us that a billion pounds, even for those accustomed to lives of unbridled luxury, is more than anyone could need or even spend.

20 It is difficult to even contemplate what a massive sum of money a billion pounds is: if I had saved a million pounds in today's money every year since the Battle of Hastings, I would still be short. No one – however smart or hardworking – is worth a billion pounds or more. People only become billionaires because successive governments have organised our economic system, from taxes to property law to rights at work, to benefit the rich – often at the expense of the poor. In other words, their creation is a policy choice – or a choice not to make policies that distribute wealth more fairly.

25 How is it acceptable that a country that can afford to have billionaires can also afford to have 8 million people living in poverty, in families where at least one person is in work, 4 million of them children?

30 On a daily basis I am shocked by the suffering of many of my constituents. One of them, a woman who uses a wheelchair, has been living in a second-storey council flat without a lift for two years. The Conservatives' austerity programme has cut the funding for support in schools for children with special needs. My Brighton constituency has one of the biggest homeless populations in the country. A few get in touch – but others are likely to freeze to death in the bitter cold of winter.

35 The reason I mention these people is because, like billionaires, they are the product of the economic system the government decided we should have. After decades of rampant inequality and the associated erosion of the public realm, it is a surprise to discover that in some circles it is still heresy to say that some of the wealth of the 151 billionaires in Britain today should be used to tackle these grave social problems.

40 My fleeting moment of Internet attention provided a reminder that defenders of the status quo aren't confined to the Tories. Many people, including my interviewer, used the argument, often trotted out by the super-rich themselves, that the top 1% of earners pay around a quarter of the income tax. But this factoid is designed to deceive – starting with the inescapable reality that the 310,000, mostly white middle-aged men from London, who make up that top 1% of UK earners, take home 14% of the national income.

45 And that doesn't even factor in wealth, which is considerably more unequal than income. Roughly a quarter of national wealth is controlled by the country's top 1% of rich people, a proportion that has risen inexorably under the policies started by Margaret Thatcher, and continued through the years of New Labour and recent Tory governments. The top 1% should be contributing more in income tax – a lot more than a quarter – because over the past 30 years they have been accumulating more and more of the national wealth.

50 When you consider indirect taxes, the poorest contribute significantly more of their income in tax than the richest. The poorest quarter of society pay nearly twice as much of their disposable income to indirect taxes, including VAT and duties to the taxman, than the richest quarter do.

Lastly, these figures do not even account for the billions that are squirrelled away offshore by the super-rich. London is at the centre of the largest tax-avoidance network on the planet because it has sovereignty over the British Virgin Islands, Bermuda and the Cayman Islands – secretive jurisdictions that accept a large chunk of the 16% of Britain’s GDP that sits offshore, untaxed, its owners unnamed.

55 Every time one person amasses a fortune worth a billion pounds, we are witnessing a policy failure. Democratic politicians in America have recognised this: both Elizabeth Warren and Bernie Sanders have put a wealth tax at the heart of their presidential campaigns. “After making a killing from the economy they’ve rigged, they don’t pay taxes on that accumulated wealth. It’s a system that’s rigged for the top if I ever saw one,” Warren said this year.

60 The US congresswoman Alexandria Ocasio-Cortez has said: “A system that allows billionaires to exist when there are parts of Alabama where people are still getting ringworm because they don’t have access to public health is wrong.”

65 Supporters of the argument made by Barnett on the BBC have suggested that by reducing the incentives to the accumulation of vast wealth, I am somehow depriving people from “aspiring”, or from creating jobs. This is more tired tosh in defence of our current horrors. Abolishing billionaires does not mean removing the incentives for people to strive, make money, build businesses and enjoy the finer things in life. It is simply a signal that there is such a thing as earning – or amassing – too much money.

70 Labour is no longer intensely relaxed about people becoming filthy rich because we now know that inequality costs us all economically. In a world with finite resources increasingly controlled by a handful of men, it is actually the most conservative of positions to argue that their fortunes should not exist.