



From Don Morrison

This year, once again, I failed to make Forbes magazine's annual list of the 400 richest Americans. The roster has been out for a few months, but I keep hoping that a rebound in my IRA or a Mega Millions miracle will force a revision. Maybe next year.

On the plus side, my long and very American obsession with wealth has yielded some interesting insights into the state of our economy and democracy. For instance, it's raining billionaires.

On the first Forbes list, back in 1982, only 13 people were worth more than a billion bucks. Now all the listees are.

In fact, the U.S. has 735 billionaires, more than any other country. We're minting a new Bill Gates or Mark Zuckerberg every week on average. They've become celebrities, role models. That may not a great idea.

Many of the new super-rich come from the tech industry, as well as finance and a recent melding of the two, "fintech." That growing sector embraces such innovations as mobile banking, big data, artificial intelligence and blockchain, the baffling technology that gave us Bitcoin billionaires.

The markets — and especially tech stocks — have been wilting lately, but that doesn't seem to affect gross national billionaire production. Today's mega-rich thrive no matter what.

As 19th century economists like John Stuart Mill and Henry George observed, wealth begets wealth, and assets tend to appreciate over time. Especially these days, when wealth has a wealth of tools at its disposal.

For instance: If money can't buy happiness, it sure can buy lobbyists and politicians. This election cycle, at least 30 individuals — up from three in 2020 — have made at least \$10 million in political contributions, mostly to Republicans. The recipients, in turn, help ensure taxes remain low, antitrust enforcement weak, business lightly regulated, proprietary processes and algorithms protected.

Unlike earlier, Puritan-ethic rich folks, today's bunch don't seem shy about displaying their fortunes. They splash out on mansions, sports teams and private jets. Also, admirably, on philanthropy — though critics say that addressing society's problems should not depend on the whims of rich folks.

And then there are the yachts. Like software mogul Larry Ellison's 288-ft.-long ocean-going vessel. Or Google co-founder Sergei Brin's 240-footer, which includes an open-air cinema, jacuzzi and sundeck that converts to a dance floor.

These will soon be dwarfed by Amazon founder Jeffrey Bezos' new \$500 million floating palace. To get it out of the shipyard in Rotterdam, Bezos offered to dismantle and rebuild one of the city's bridges. After locals protested, a less egregious solution was found.

Increasingly, billionaires seem to be inserting themselves into everything — electoral politics, space travel, even foreign policy. Which brings us to Tesla's Elon Musk, currently the world's wealthiest human (\$250 billion) and the poster boy for out-of-control billionaires.

Last week he succeeded in buying Twitter, having promised to restore Donald Trump and misinformation to the site, as well as fire three-quarters of its employees. This week he dissolved its board of directors, naming himself “sole director.”

Musk also owns SpaceX, which launches rockets for NASA (not to be confused with the government-related space ventures of Bezos and Virgin Atlantic founder Richard Branson), and he has plans to colonize Mars.

Musk is also trying to resolve the Ukraine-Russia conflict (to Russia’s benefit), the China-Taiwan conflict (to China’s) and other global issues. His private talks with foreign leaders are so frequent that he has become a shadow U.S. State Department, to the exasperation of the real one.

As billionaires spread their wings, inequality is growing. Five years ago, the richest 1% of Americans had 38% of total wealth. Today, the share is nearly 70%. Pay for chief executives is currently about 360 times that of their average worker, up from 60 times in 1989.

Economists generally agree that inequality inhibits economic growth. It also offends our sense of fairness, breeds resentment and divides us against each other. Just look at the current election campaign.

Better yet, look beyond it. To restore fairness in American life, we need to rein in our billionaires a bit. That means closing tax loopholes and raising the top marginal rates for income and inheritance levies to their pre-Ronald Reagan levels. There will still be rich people, but more of us will be among them.

We also need to increase opportunity for aspiring billionaires, by expanding access to higher education and ending bankruptcy-inducing medical costs. We should enact paid medical leave and subsidized childcare, so both parents in a family can have incomes.

Most family wealth comes from home ownership, so let’s change zoning and construction rules to make that first house affordable. And end mortgage discrimination, i.e., “red-lining,” forever.

Pro-wealth measures like these could eventually pay for themselves. They’d also make America a more equal, prosperous and stable country — a place where every kid has a shot at growing up to become a billionaire.

Including my own, though I still hope to get on that list before they do.