



Capitalism is for the Rich

On 19th January 2016 Oxfam published a report titled “Wealth: Having it all and wanting more” showing worsening health inequality around the world. It showed that the world’s richest 1% owned 48% of the world’s wealth. They also found that whilst the top 80 billionaires saw an increase of \$600 billion in their wealth over 4 years, the poorest 50% of the world population saw a drop in wealth off \$750 billion over the same period. These figures were released just before the World Economic Forum, in Davos, Switzerland, which Oxfam chaired

Whilst the calls for greater wealth equality resonates throughout the world, with many of these voices getting louder and louder, the situation is getting worse. Wealth is becoming increasingly concentrated in the hands of the rich with the poor having to suffer. This is despite the fact global trade reaching has reached unprecedented levels.

Capitalism has failed in distributing wealth in any equitable manner. Even in the birth place of Capitalism and today’s epicentre, Europe and the US, wealth distribution remains a massive failure.

The dogmatic views of the free market and economic growth relegated wealth distribution to the invisible hand that only liberals can see, the rest of the world, since such ideas were presented in 1778 by the god father of capitalism, Adam Smith, still await the fruits of this obscure process. The trickle-down effect which was meant to make wealth flow from the top to the bottom remains as elusive as ever and is in fact worse today than the medieval era. Richard Robbins in his award winning book, ‘Global Problems and the Culture of Capitalism’, confirmed this when he said, *“The emergence of Capitalism represents a culture that is in many ways the most successful that has ever been deployed in terms of accommodating large numbers of individuals in relative and absolute comfort and luxury. It has not been as successful, however, in integrating all in equal measure, and its failure here remains one of its major problems.”*

The rich have been able to preserve such a status quo as the lowest tax rates, the best health and education and the opportunity to influence are handed down to their children. Without a concerted effort to tackle inequality, the cascade of privilege and of disadvantage will continue down the generations. Economic growth today amounts to little more than a ‘winner takes all’ windfall for the richest.”

This Oxfam report is just the recent indictment on Capitalism. Despite its victory over Communism 25 years ago and the global economic crisis that began in 2008 and still remains, Capitalism inly survives as no alternatives exist. But this may not last very long as alternatives are on the horizon.

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