



**New gilded age in a broken world?  
The super-rich, urban life and city politics**

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# Overview

1. The context
2. London's wealth economy – Alpha city
3. City capture and where next



# PART 1

The context



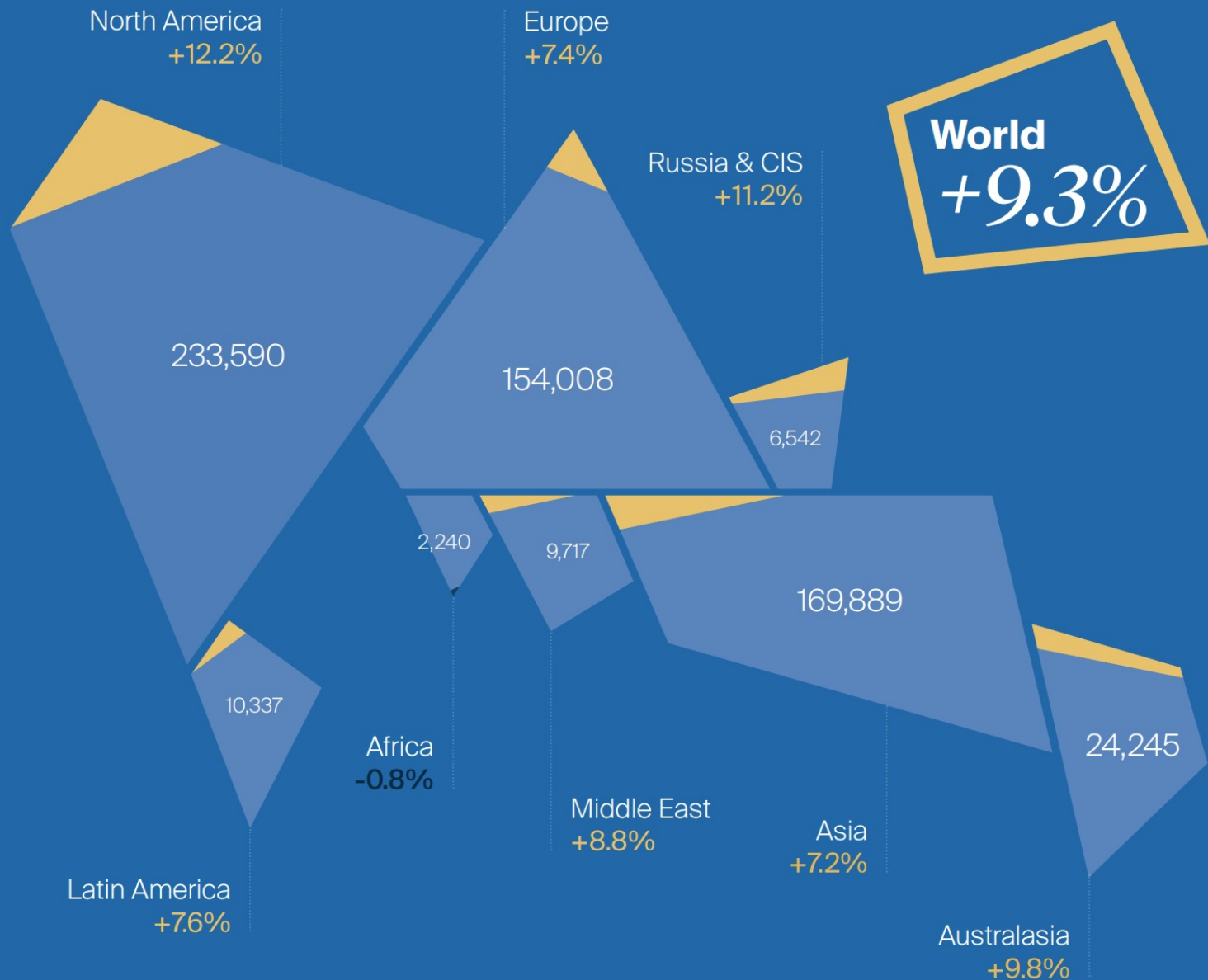


The number of people who own as much wealth as the bottom 50% of the global population, Oxfam

- 2010 - 388
- 2014 – 85
- 2015 - 80
- 2016 – 62
- 2017 – 8
- 2018 – 26 (revised methodology)
- 2022 – Wealth of all 2,668 billionaires = 13.9% of world GDP



## Number of UHNWIs per region and annual change 2020–2021



Source: Knight Frank Wealth Sizing Model



# London's wealth elites

- 100 billionaires; 5,000 super-rich (£20m+ non-housing, disposable)  
350,000 middle tier wealthy residents (£700,000 or more in assets)
- 52,900 'non-doms' registered in London (2019 HMRC), paid £5.3bn in tax in 2018 (80,000 UK)
- Around half a million people work in the City of London







# City for Sale

It is everyone's duty to stop London becoming the international capital of dirty money

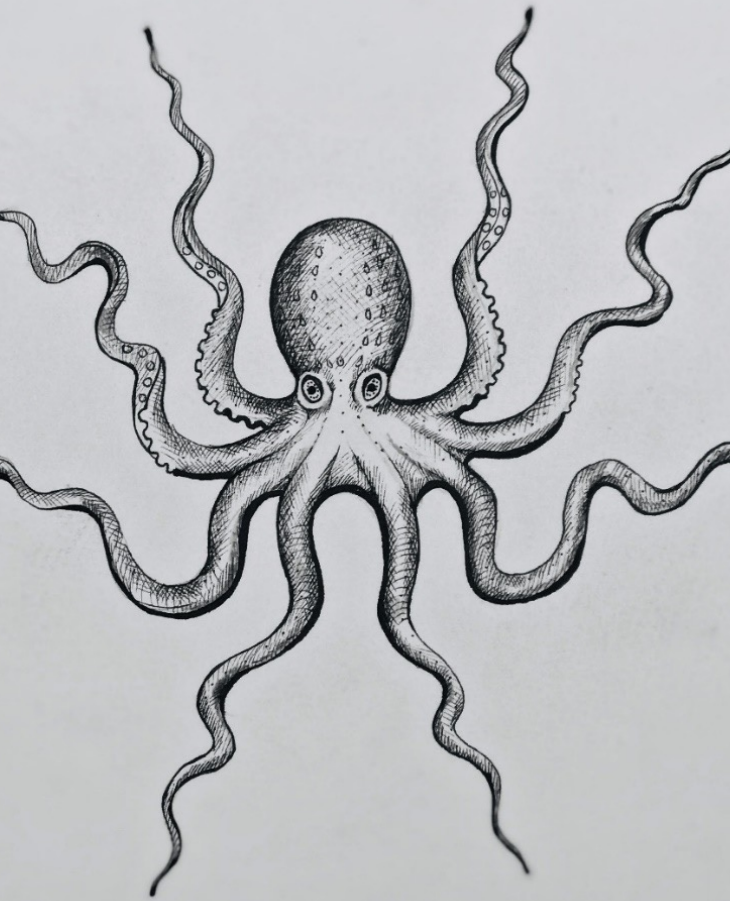
19th century. It now works as the world's companies have

more than it had estimated — from a little-heralded tax on real estate owned by companies, trusts or investment funds. The scourge of dodgy land ownership threatens London's reputation as a

# PART 2

An alpha city





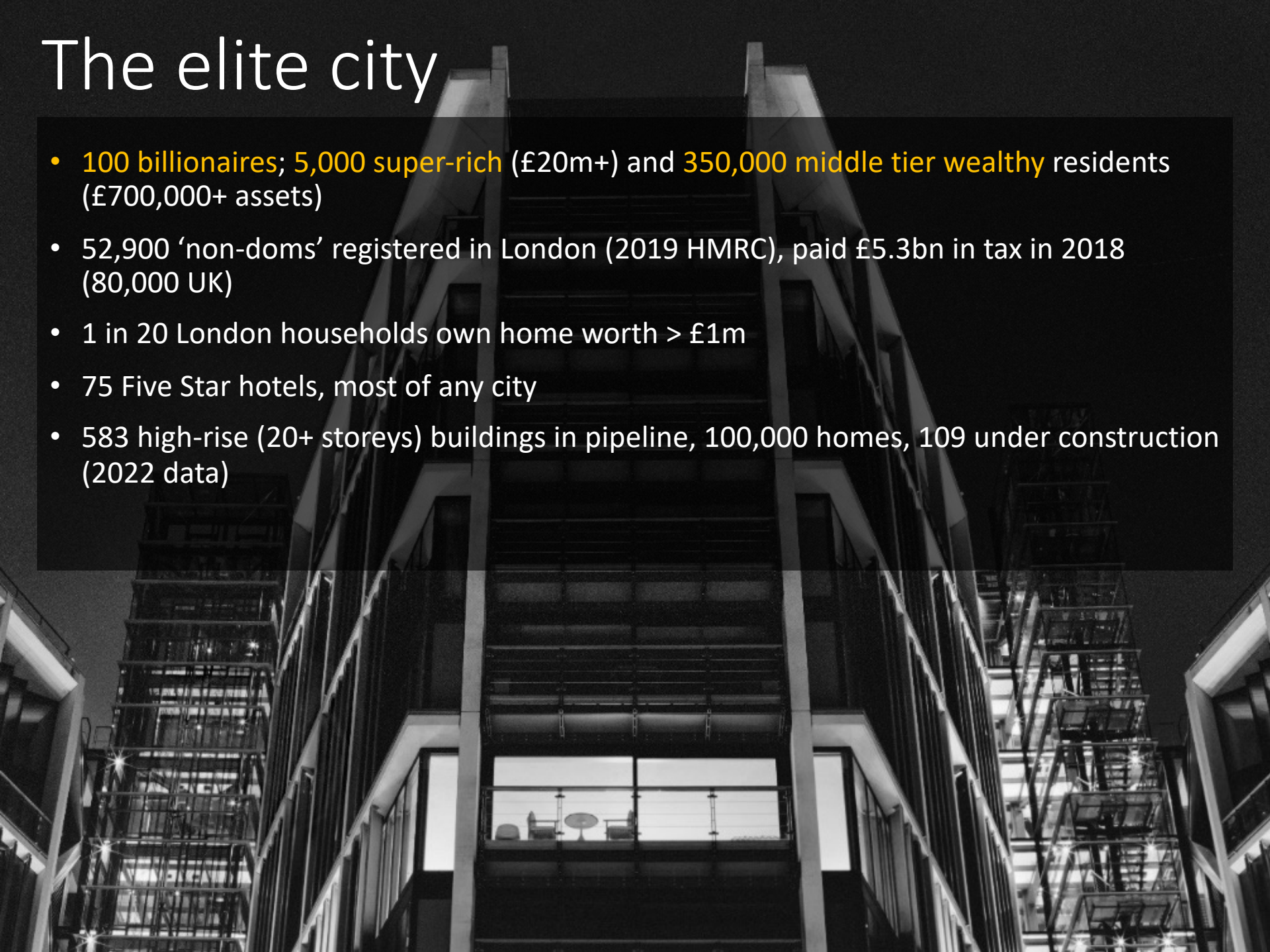
# The 'alpha city' thesis:

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1. Space created for investment, rather than citizen need at a time of (multiple) crises
2. These spaces enable the avoidance of social distress – an insulating space
3. A distinctive inequality 'regime' – a spatial-moral climate of winner-takes-all mentalities
4. Combined features help advance arguments that denigrate and reduce public programs that tackle social need

# The elite city

- 100 billionaires; 5,000 super-rich (£20m+) and 350,000 middle tier wealthy residents (£700,000+ assets)
- 52,900 'non-doms' registered in London (2019 HMRC), paid £5.3bn in tax in 2018 (80,000 UK)
- 1 in 20 London households own home worth > £1m
- 75 Five Star hotels, most of any city
- 583 high-rise (20+ storeys) buildings in pipeline, 100,000 homes, 109 under construction (2022 data)



# The city's wealth elite

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- The super-rich of **dynastic wealth**
- **New money**, international, uber wealth
- The **enablers** – a mediating class-group







ELITE > SPACE

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Patrician heartlands

Prime London

The ultraland

Riverlands

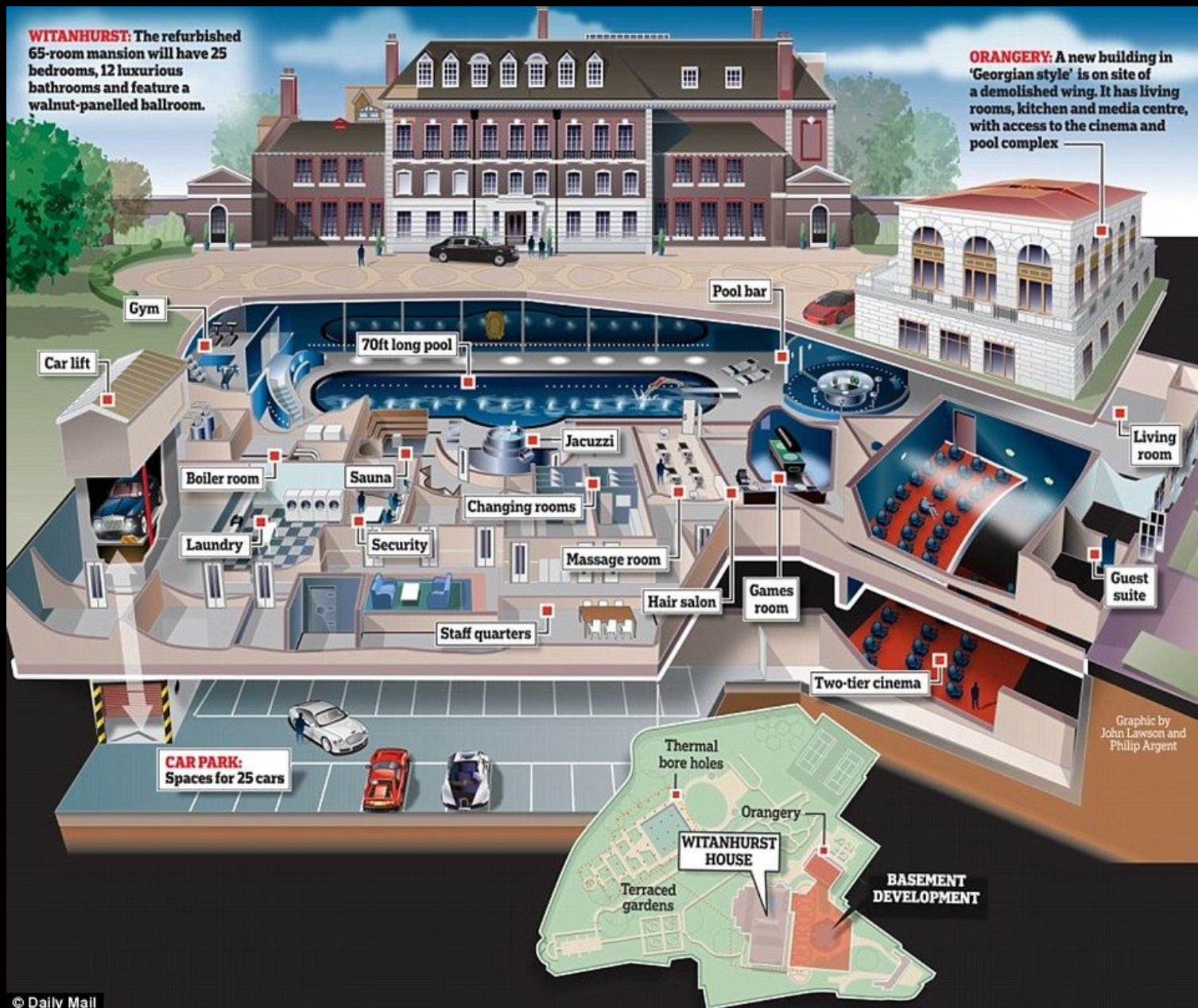
Suburban exclaves

# The alphahoods



**WITANHURST:** The refurbished 65-room mansion will have 25 bedrooms, 12 luxurious bathrooms and feature a walnut-panelled ballroom.

**ORANGERY:** A new building in 'Georgian style' is on site of a demolished wing. It has living rooms, kitchen and media centre, with access to the cinema and pool complex





# Signs of global disorder?



We have to remember that London is a global centre for trade, and finance, and culture, sport, a whole variety of different things...For the past ten years, conflicts, civil unrest, global instability - the United Kingdom is a clear beneficiary of all these problems around the world.

PH, Mayfair Property Seminar

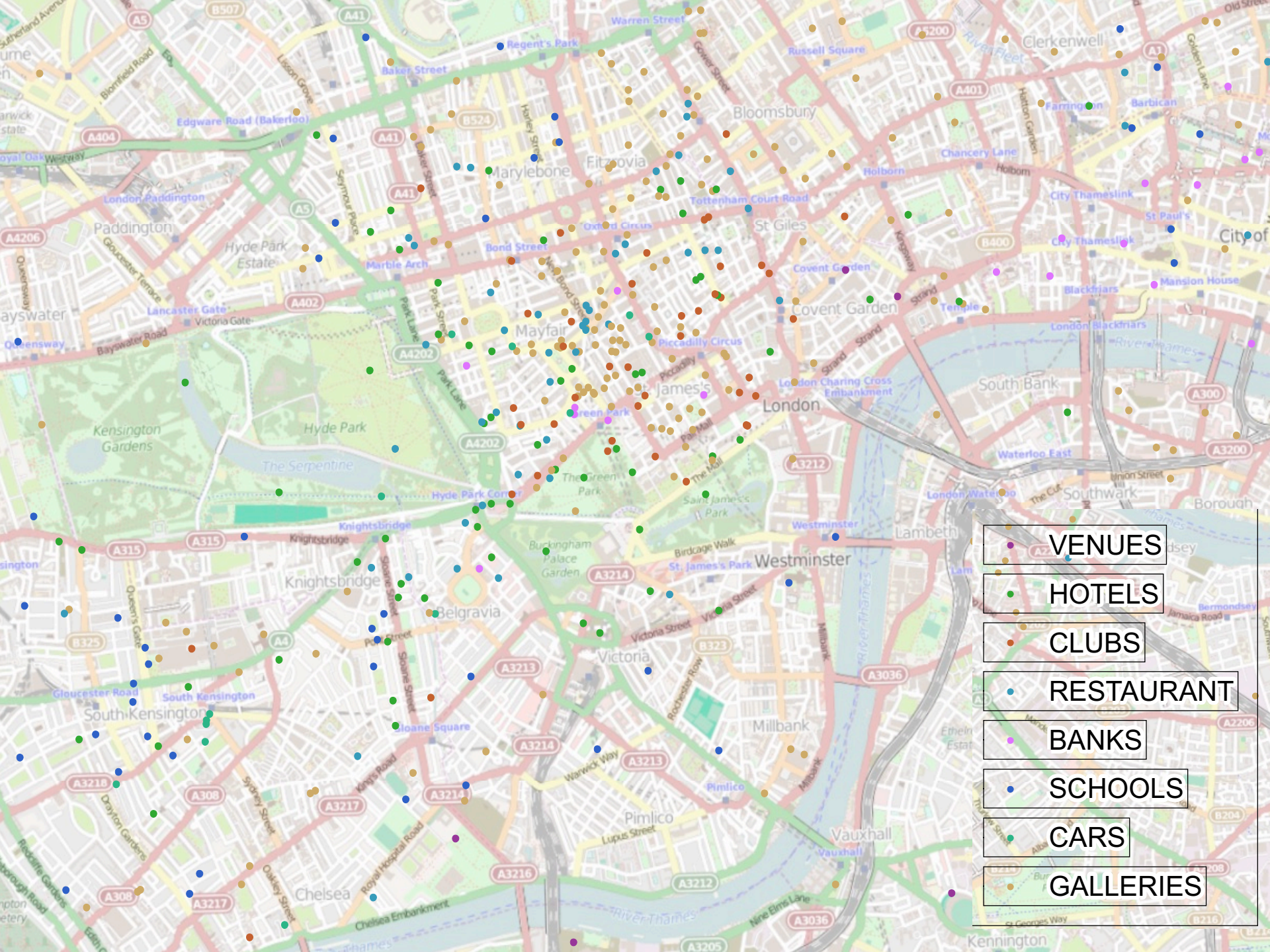


# “Own the skies”: Mobility and the private airports

- Farnborough - 32,522 private flights per year (2,000 flights per month during lockdown, 2020)
- Biggin Hill 13,209
- London Southend 4,000

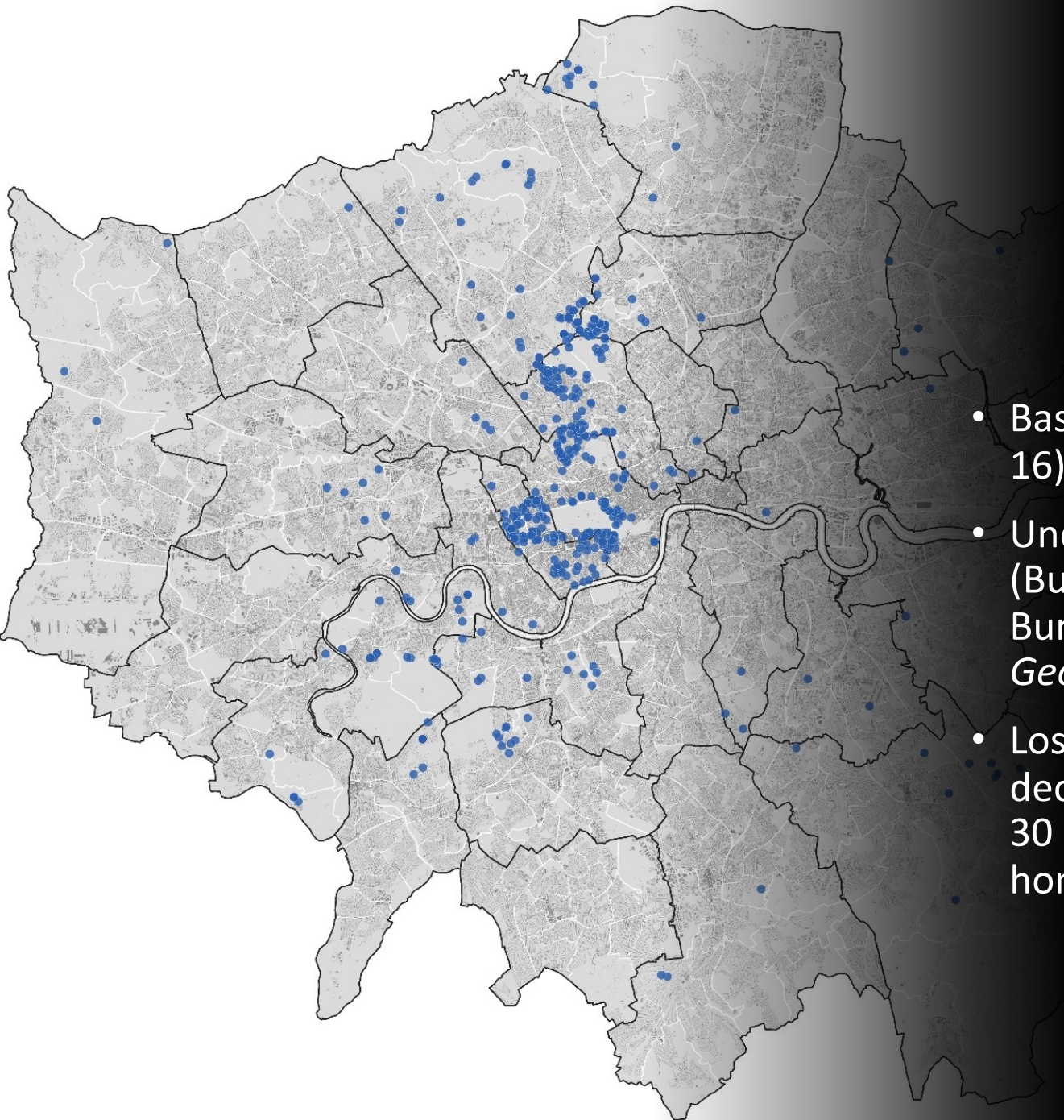






- VENUES
- HOTELS
- CLUBS
- RESTAURANT
- BANKS
- SCHOOLS
- CARS
- GALLERIES



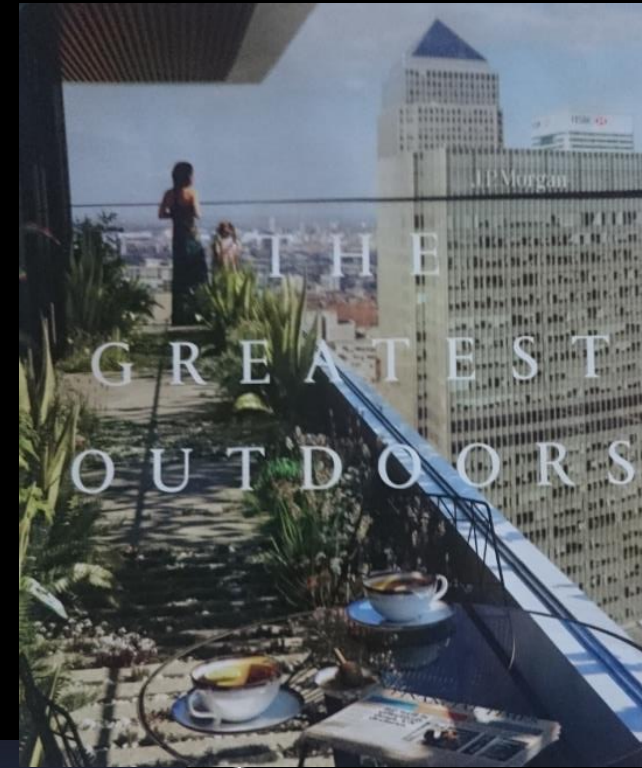


- Basements: 4,650 (2008-16), inner London
- Underground pools: 376 (Burrows et al 2021 *Bunkering Down, Urban Geography*)
- Lost public pools in past decade: 10; 50 libraries; 30 hospitals and care homes



# Insulated lives

- Space structures social outlooks - A sanitised and insulating urban milieu
- Wealthy, disconnected and seemingly untroubled social and political actors
- Choices and actions devastating to those excluded and victimised by austerity policies





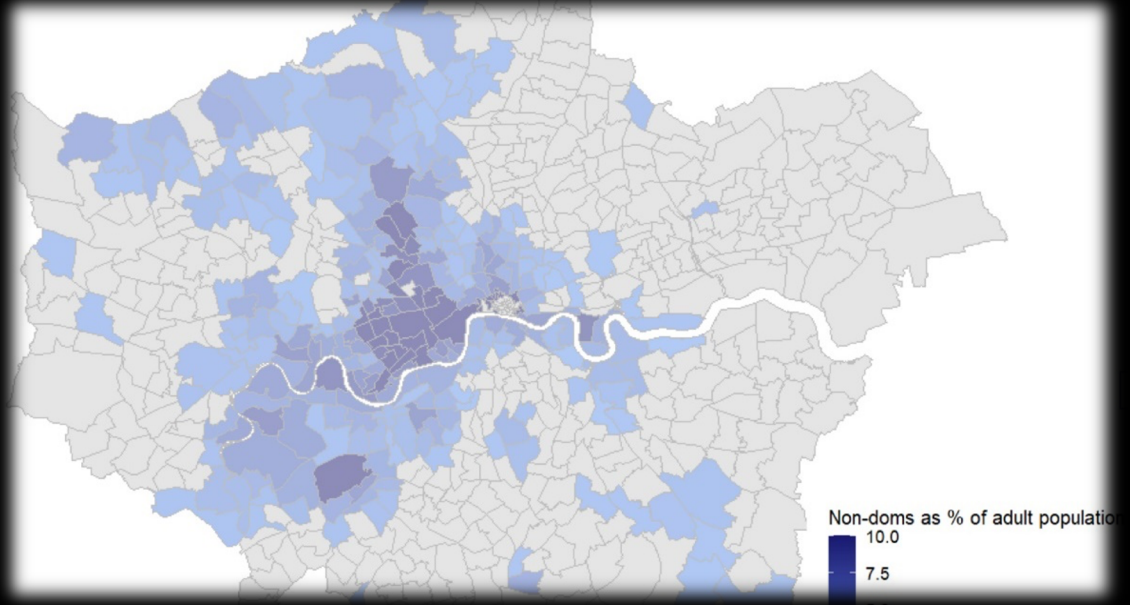
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# BREAKING THE RULES





- Est £100bn laundered each year in UK (NCA, 2016)
- 42,000 properties with est. value of £56bn in London (McKenzie 2022)
- 10% of homes in Westminster owned from offshore tax havens
- 1 in 300 property purchases by overseas cash buyers trigger red flags with the National Crime Agency (NCA)
  - 26,400 homes sold each year to overseas cash buyers in Britain
  - “London property market has been skewed by laundered money”



## Non-Dom 'land'

Advani, A. et al (2022) The UK 'non-doms': Who are they, what do they do, and where do they live, CAGE Policy Briefing 36, University of Warwick





*necrotexture*

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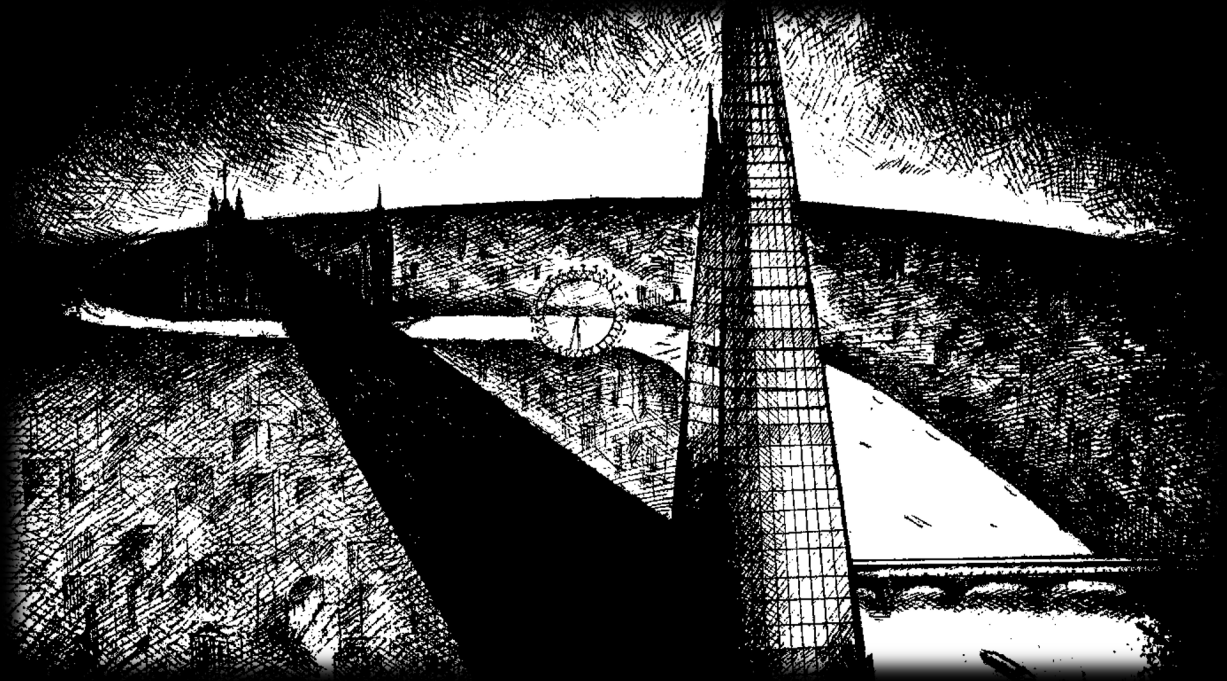


- 125,000 empty homes (Action Empty Homes)
- In 2014 a *Guardian* newspaper investigation found that of the sixty six houses on *The Bishops Avenue*, 3 used full time
- Population of multi-millionaires (\$10m+) varies from 34,230 in summer to 10,450 in winter, potentially leaving almost 24,000 homes empty at a time (Knight Frank's 2016 wealth report)





# City capture



...British Governments of different political hues have tended to be rather reluctant to deal with the issue of dirty money in London. I note the nods. You could see various reasons for that—first, that we think it would be too financially difficult for our economy; secondly, that we have not really noticed that there is a problem, which would be carelessness, or thirdly, that there are individuals or a political culture here that simply does not really care or has been inveigled into not caring by others

Foreign Affairs Committee, Hearing on Russian money and laundering, May 2018

# Social stress

- 28% of Londoners are in poverty, compared with 27% five years ago
- 161 public estate regeneration schemes since 1997, demolition, 150,000 to 200,000 residents displaced
- 56,000 households in temp accom, 250,000 households on waiting list for public housing
- 40% of council housing sold under RTB in London now let privately
- Approx 9,000 rough sleepers in London every night (nearly 25% of all UK rough sleepers)



# PART 3

Super-rich in a fractured world

# Signs of discontent

- 50% of FT readers support a wealth tax
- Wealth taxes and fair contribution - 1% rate on wealth over £2m over 5 years would raise £80bn (applied to all household wealth £500,000+ would raise £260bn)
- 'The assetocracy', 2021 Editorial, *Spectator*





# The emerging socio-political context

- Stagffluence, and stagflation - post-covid, new austerity, Freeports, comfort next to distress
- Inequality - Interest in wealth tax innovations and fair contribution
- Housing - Empty homes, Short-term lets

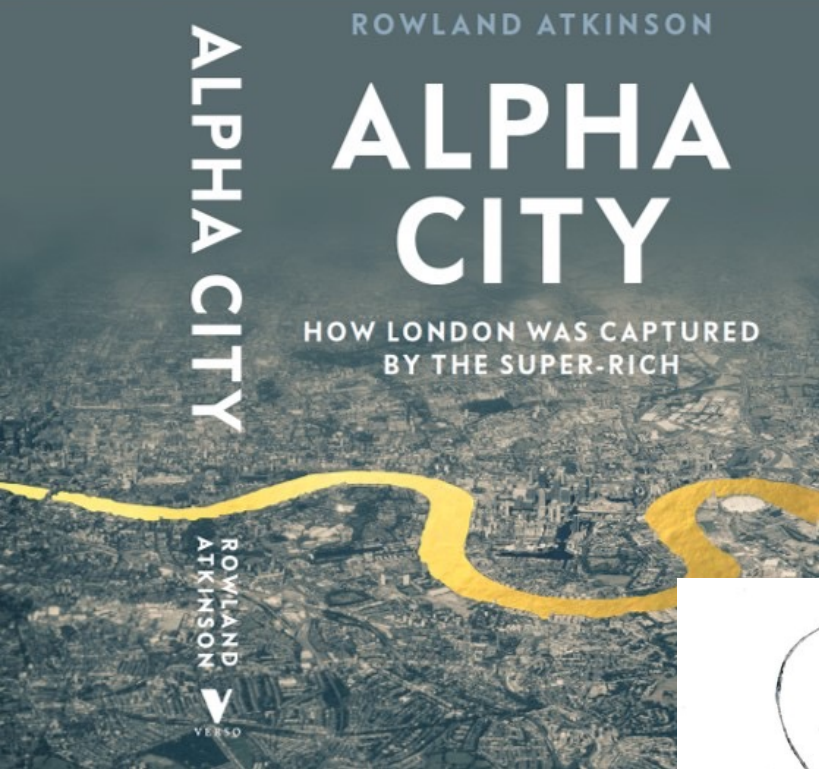


# WAYS FORWARD

1. Wealth taxes and fair contribution - 1% rate on wealth over £2m over 5 years would raise £80bn (applied to all household wealth £500,000+ would raise £260bn)
2. Identify beneficial owners of assets from offshore centres
3. Planning for all – Develop social and affordable housing, demote PRS, stop right to buy







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