

Campaigners against poverty must get their economics ri...

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As [The Guardian](#) noted last night:

The richest 500 individuals in the world added a record \$2.2tn to their wealth in 2025, according to the [Bloomberg Billionaires Index](#), with just eight billionaires accounting for a quarter of the gains.

The gains increased their collective net worth to \$11.9tn, bolstered by billionaire Donald Trump's 2024 election victory and booming markets in cryptocurrencies, equities and metals.

They then noted:

According to Oxfam, a global confederation of non-government organizations, the \$2.2tn growth in net worth for the world's wealthiest 500 individuals would have been enough to lift 3.8 billion people out of poverty.

"Inequality is a deliberate policy choice. Despite record wealth at the top, public wealth is stagnating, even declining, and debt distress is growing," said Oxfam's international executive director, Amitabh Behar, in a statement.

That last claim is, in my opinion, a textbook example of the kind of economic misunderstanding that has become commonplace among NGOs campaigning on economic justice. It is well-intentioned. It is rhetorically powerful. And it is fundamentally wrong.

The confusion is not subtle. The \$2.2 trillion increase recorded in 2025 is a measure of financial capital. It is not cash. It is not spending power. It is not "money available to solve problems". It is a snapshot valuation of assets at a point in time, produced by financial markets using discounting models that estimate the present value of expected future income streams.

In other words, this figure does not tell us what billionaires have available to spend today. It tells us what markets currently believe the businesses they own might generate in income in the future, discounted back to the present using assumptions about growth, risk, continuing monopoly power, political influence, and ongoing ecological exploitation.

What the comment ignores is this basis of valuation. What it also ignores is the fact that people cannot eat market valuations. They cannot live on discounted cash-flows. And they cannot be lifted out of poverty by numbers that exist only as outputs of financial mathematics.

Even if, and this is a heroic assumption, that \$2.2 trillion could somehow be liquidated today, there is still no guarantee that the real resources required to lift 3.8 billion people out of poverty even exist in the form required right now. Poverty is not solved by money alone. It is solved by systems that deliver food, housing, healthcare, education, sanitation, energy, transport, and care, all of which must be planned, built, staffed, coordinated, and maintained over time, alongside systems of government, governance and accountability, all of which are required to make them function. Simply creating those systems will, of course help relieve poverty in itself, a point that is easy to forget, but to presume that a simple transfer of cash will by itself do so is not enough, and is just wrong, and yet it is implicit in what Oxfam had to say, without them ever explaining over that time period they were also making the claim.

Understanding this matters. In particular, this is where an understanding of time matters. Time is the essential missing dimension in Oxfam's claim. The wealth being described is itself a temporal construct: it is a valuation of future income streams. Treating it as if it were a pile of cash waiting to be redistributed today is to misunderstand what wealth actually is in a financialised economy.

This is also precisely why crude arguments for wealth taxation also so often miss the mark. They rest on the same confusion: the belief that society can live off money alone. It cannot. What matters is command over real resources across time and not symbolic redistributions of current paper claims.

If we want to use the wealth that markets are currently valuing so generously, the correct object of taxation should not be the stock of wealth itself, but the income streams and gains that give rise to those valuations and the systems that permit their existence. Tax the flows, and not the fantastic valuations, in other words. That is precisely why taxing income from wealth, capital gains, excess returns, monopoly rents, and unearned windfalls reflects economic reality in a way that annual wealth taxes often do not. That is the logic underpinning my [Taxing Wealth Report](#).

There is, however, an even deeper failure embedded in the Oxfam comment, and it matters at least as much.

It assumes that the problem is simply that too much wealth exists at the top, rather than asking why society allowed that wealth to accumulate in the first place, with all the consequences that follow. Extreme concentrations of wealth distort power, corrupt democracy, hollow out public institutions, misallocate resources, and accelerate environmental destruction. Poverty is not an accident occurring alongside this process. It is one of its outcomes.

Redistribution alone cannot solve a systemic problem. In particular, redistribution of financial wealth without redistribution of control over production, investment, and resource use may be symbolically satisfying, but it does not deliver well-being. Poverty is reproduced structurally, not arithmetically.

That is why I find this style of campaigning so troubling. It produces striking numbers that feel morally compelling but are economically meaningless. Worse, they mislead well-intentioned audiences into believing that the problem is one of either insufficient generosity or the absence of a particular tax rather than institutional failure, power imbalance, and the abandonment of planning, care, and maintenance as core economic functions.

I [wrote earlier today](#) about the difference between being able to perform calculations and understanding what they mean. This is another example. A calculation is never enough. Understanding is always required.

If those campaigning for a better world want to succeed, they must engage seriously with economic reality. They must stop singing songs that are catchy but wrong, and start learning how the system they oppose actually works in time, in power, and in material constraint, and then write better songs to sing.

Unless they do, we will continue to mistake numbers for solutions, simple redistribution for justice when systemic reform is required, and rhetoric for progress. And that is not how we get to the world we say we want.

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