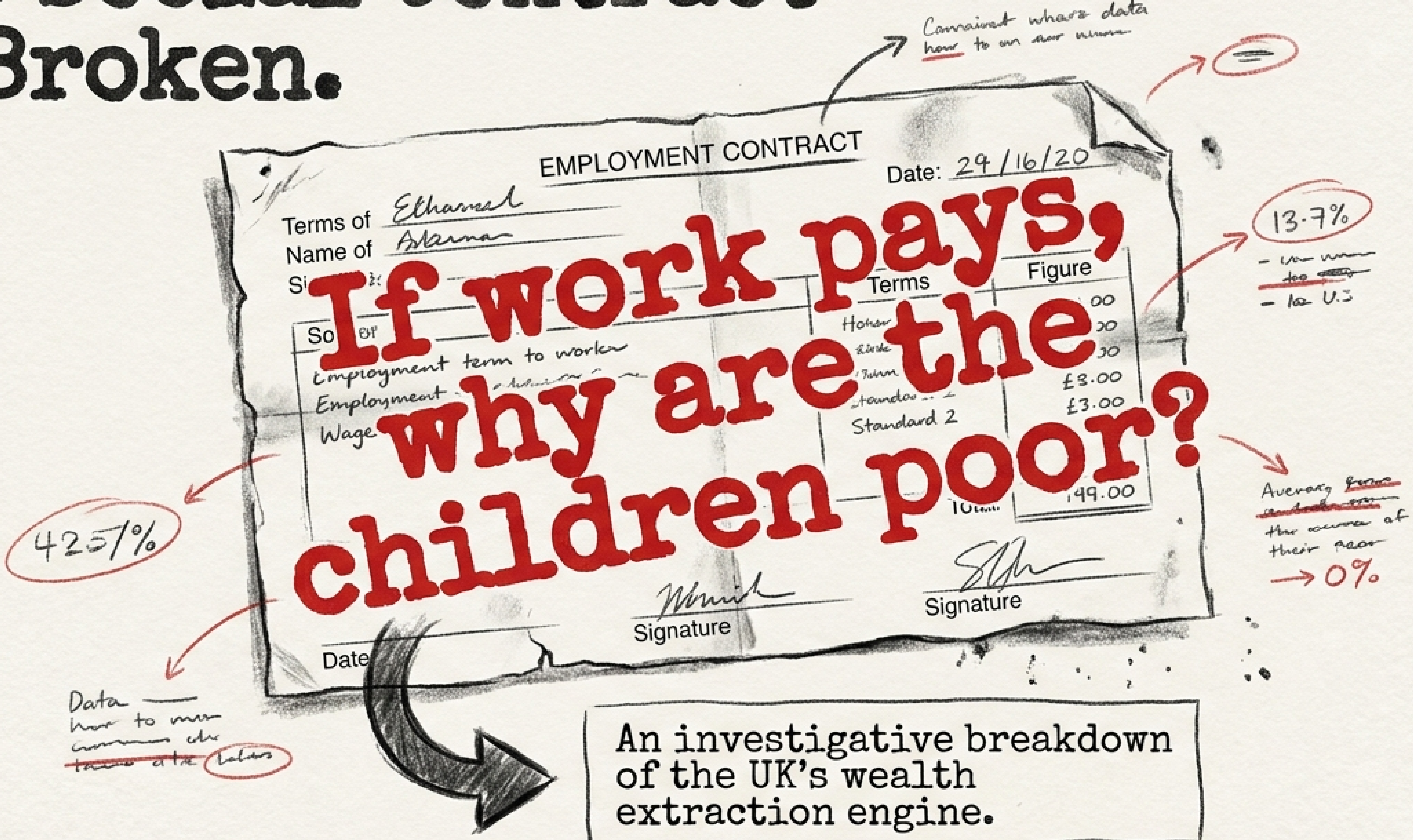
The Social Contract is Broken.



An investigative breakdown of the UK's wealth extraction engine.

Read time: 4 minutes

4 million children in the UK are living in poverty.

4,000,00

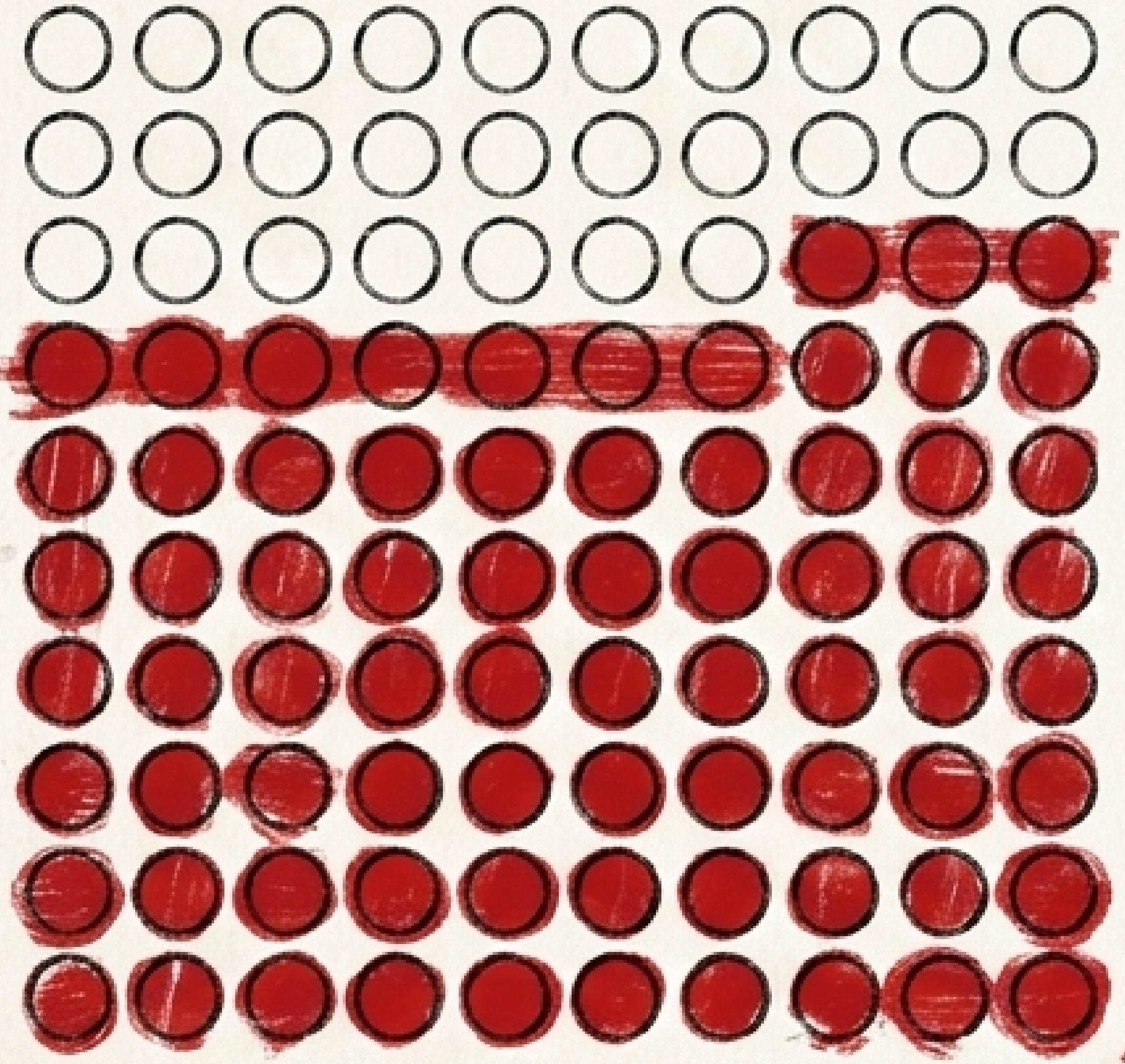
27%

More than 1 in 4 of all children in the UK.

This is not a historical statistic.
This is the reality in 2024/2025.

Unemployment is the minority cause of child poverty.

The 100-Person Grid



75% live in working households.

Roughly 75% of kids in poverty live in households where at least one adult is employed. 60% of all adults in poverty are in-work.

Working hard no longer guarantees an escape from deprivation.

The reality of who bears the burden.

	~~The Traditional Assumption~~	The Statistical Reality
Family Make-up	Only affects the unemployed	60% of people in poverty are in-work.
Disability	Evenly distributed	>50% of children in poverty live in a household where someone is disabled.
Race & Ethnicity	Class-based only	47% of minority ethnic families are trapped in poverty.

The system punishes priority families: single parents, large families, and the disabled face the steepest deprivation.

The macroeconomic failure creates localised crises

GLASGOW (2022-2023):
33% of all children live in poverty

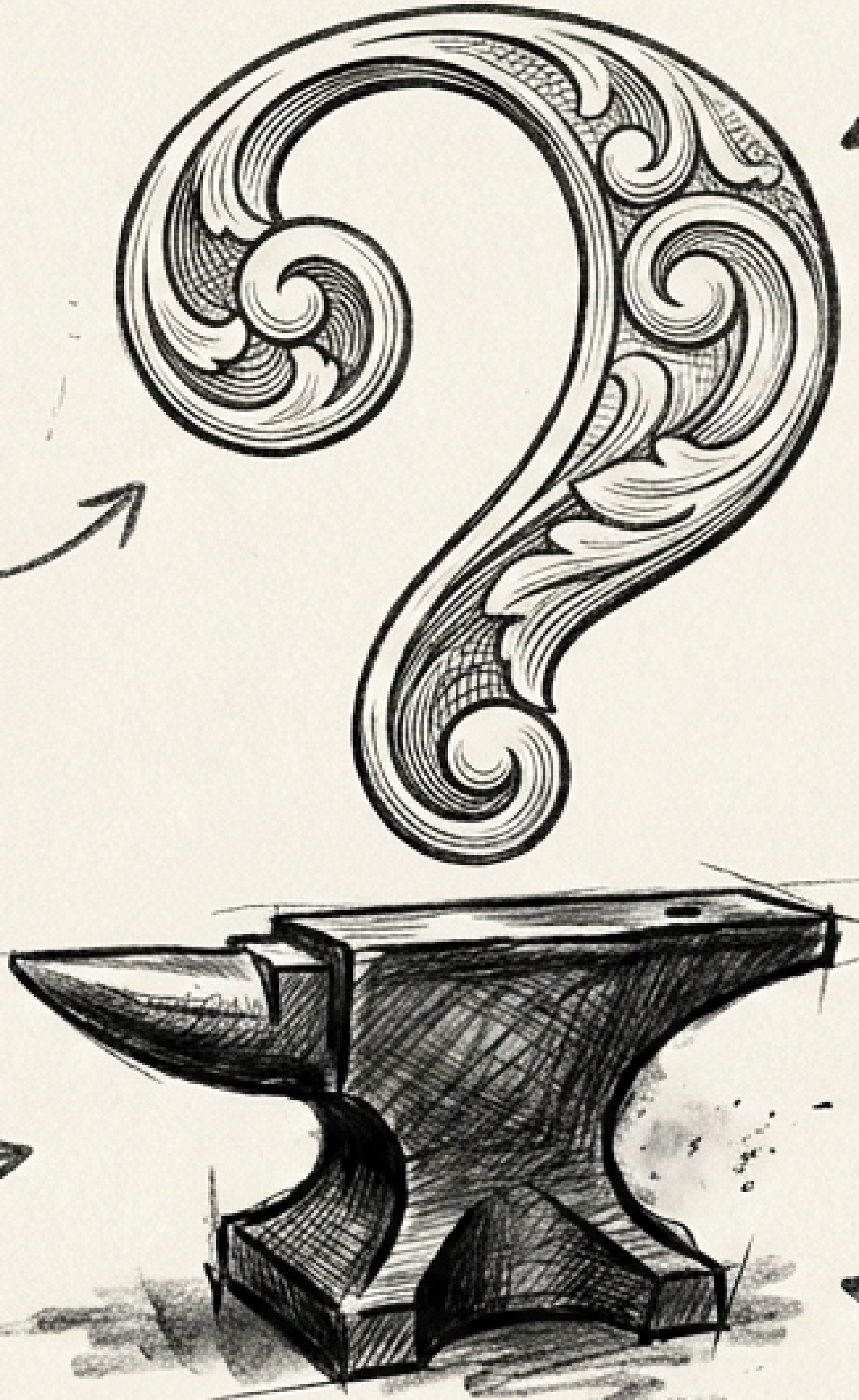
281,000 PEOPLE:
44% of Glasgow's residents live in the 20% most deprived areas in Scotland

Local economies are starved of consumer spending because wealth is being siphoned elsewhere

Vulnerability in specific neighbourhoods reaches 75%

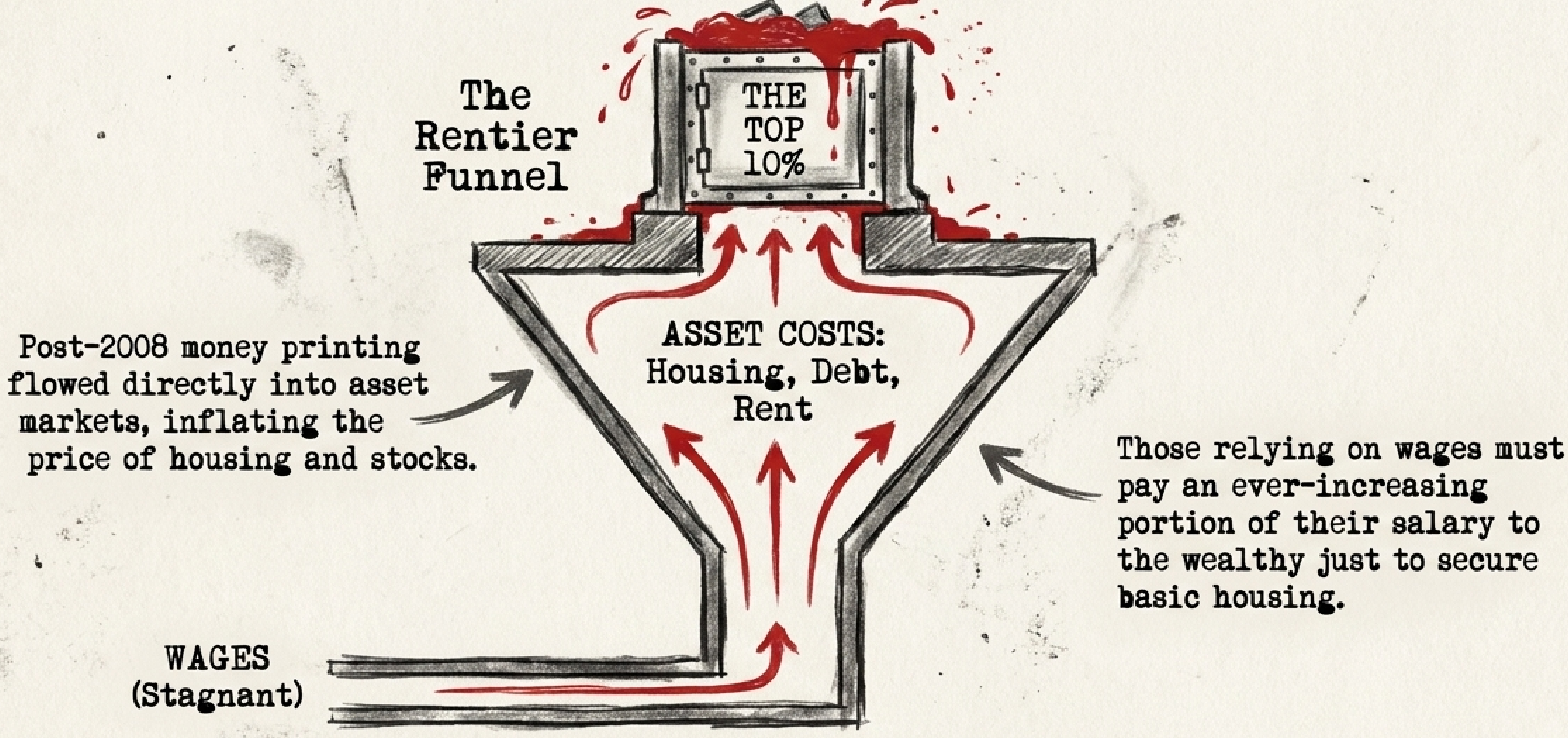
If the parents are working, where is the money going?

The UK has not run out of money. I
It has fundamentally re-engineered how wealth is generated and distributed.



We have transitioned from an economy that rewards labour and innovation to innovation to a 'Rentier Economy' that rewards asset ownership.

The architecture of a Rentier Economy.



A unidirectional financial funnel.

Unprecedented wealth concentration.

The Wealth Scale

The richest 1% of adults possess more wealth than 70% of the population combined.

Top 10%:
Holds at least £1.2 million millllion per household

Bottom 10%:
Holds £16,500 or less (mostly depreciating physical assets)

The velocity of extraction

UK billionaires grew their wealth by £11 billion annually.

That is £30.3 million every single day.

They accumulate more wealth in mere hours than the average worker earns in a lifetime.

This is a mathematical drain on the real economy. When the top hoards capital, local communities are starved.

The Two UKs.

The Working UK

- ✓ Dependent on wages (which are stagnant).
- ✓ Crushed by rising asset costs (housing/rent).
- ✓ Must take on debt to survive.
- ✓ Result: 4 Million children in poverty.

The Asset-Owning UK

- ✓ Dependent on asset inflation (which is surging).
- ✓ Collects rent and debt interest.
- ✓ Shielded by complex tax structures.
- ✓ Result: Wealth multiplies passively by millions per day.

The poverty of the former directly funds the extreme wealth of the latter.

A targeted fix: The 2% Wealth Tax.

Shields the middle class and small business owners completely.

Aligns capital gains tax with income tax to end the structural subsidy for passive wealth.

Generates £24 Billion annually.

Affects just 20,000 individuals (0.04% of the UK population). Only applies to net wealth over £10 million.

Provides immediate funding to clear NHS waiting lists and eradicate child poverty.

The data is clear. The choice is **political.**

Data Origins

Office for National Statistics (ONS)
• Oxfam GB •
• Joseph Rowntree Foundation •
• Wealth Tax Commission •
• Tax Justice UK •

Actionable Pathways

1. Reframe the Narrative:
   Share the data. Bust the 'bankrupt household' myth.
2. Organise:
   Join a trade union to force capital to distribute profits back to labour.
3. Demand Reform:
   Support campaigns for a £10m wealth tax and capital gains equalisation.

Poverty is a political choice. Organise.