

The Iceberg Warning

The Mechanics of Wealth Inequality
& The Fight for Our Future



An Economic Briefing on the Rentier Collapse

Let Them
Eat Growth

GDP	-----	3.3.9%		Stock	-----	-3.303		TXER	◆		HKRG	-----		UFR	-----	6.290				
GDP statistics at target Stock markets at all-time highs Technocratic centrist claims of incremental improvement																				
PAVGR	-----		TKB	+0.79		PNR	◆		Kuqenovain	-----	333,947		TAXS	+0.73		BET	-----		RS,AMI	◆

The Bifurcation of Society

Collapsing living
standards

Failing public
services

Multi-generational
debt

***“That’s your GDP.
It’s not our GDP.”***

The End of the Social Contract

4 MILLION

Children in Poverty (27% of UK children).

60% of all poverty—and 75% of child poverty—is in-work poverty.

Regional Microcosm: In Glasgow, 33% of children live in poverty, with 44% of residents in deeply deprived areas.

Hard work no longer guarantees survival. The traditional labor economy has been mathematically severed from prosperity.

The Birth of the Rentier Economy

LABOR

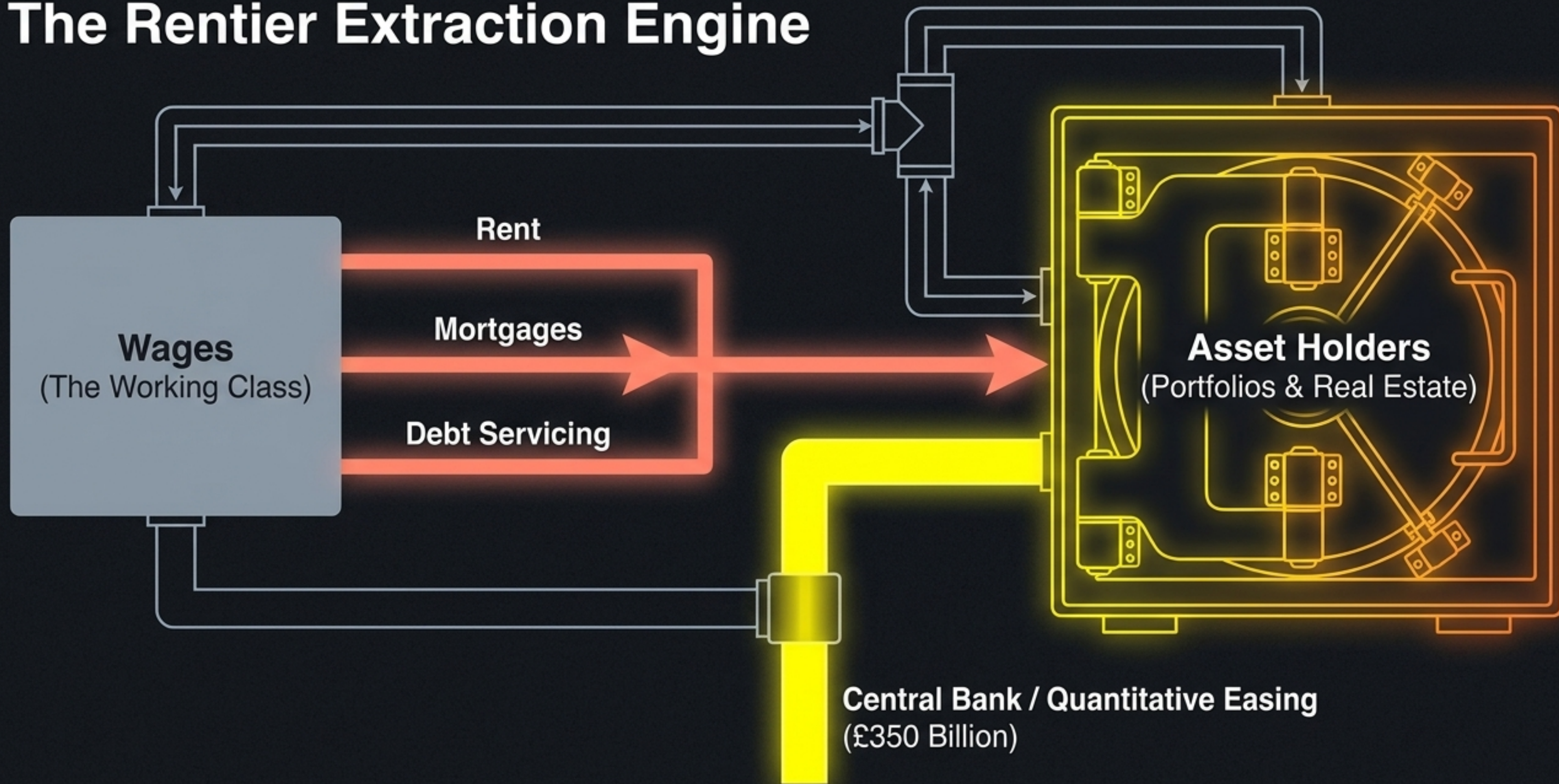
ASSETS

The 2011 Trading Insight: While markets predicted post-2008 recovery and rising interest rates, the reality was permanent stagnation.

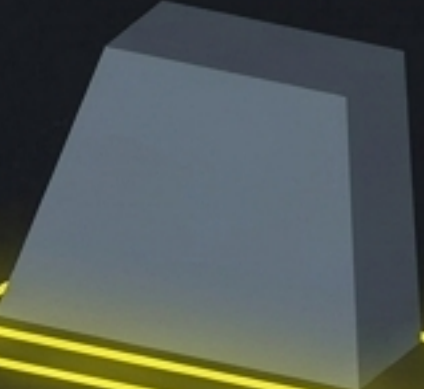
The Mechanism: Extreme wealth inequality suppresses aggregate consumer demand. Working people have no disposable income to spend in the real economy.

The Result: Central banks are forced to keep interest rates artificially low and pump fiat currency into the system—rewarding those who own assets, and punishing those who rely on wages.

The Rentier Extraction Engine



You do not accumulate wealth; you pay your wages directly to the asset-owning class, who use it to buy more of the world.



The 70%:

The poorest 50% of the globe hold just 2% of total wealth.



The 1%:

The top 1% owns more than the bottom 70% combined.

The Accelerant: The UK billionaire class grows by £30.3 million every single day.

How fast does a cancer grow? This is an accelerating extraction that will inevitably leave the next generation impoverished if the math is not corrected.

It's Not About Fiat, It's About Physical Reality



The Myth: The Government is Bankrupt
(The Household Fallacy).



The Reality:
The Hoarding of Real Resources.

Sovereign governments issue their own currency; they cannot 'run out of money.' The true crisis: The ultra-rich are monopolizing the actual, physical resources of the nation. Without taxing wealth, the state is starved of the physical capacity to build, educate, and heal.

The Inevitable Crossroads

1. Tax the Working Class More.

(Mathematically impossible; wages are stagnant, 60% of poverty is in-work).

2. Dismantle the Welfare State.

(Accept extreme poverty, mass homelessness, and societal collapse).

3. Tax the Super-Rich.

(The only mathematically viable route to salvage the social contract).



The Capital Gains Illusion



The Centrist Proposal:

Equalize Capital Gains Tax (CGT) with Income Tax to raise revenue.

The Flaw:

Capital Gains Tax is only paid on sale.

The Reality of Billionaires:

The ultra-rich do not sell their assets. They live off millions in passive income and leverage their assets to buy more.

A CGT hike is a tax on the upper-middle class. It entirely misses the top 0.1% who are permanently hoarding assets.

The Wealth Tax Matrix: Two Paths to Solvency

The Wealth Tax Commission Model

- **Structure:** One-off levy (retroactive to prevent behavioral distortion).
- **Rate:** 1% per year for 5 years.
- **Threshold:** >£500,000 net wealth per individual.
- **Revenue:** £260 Billion.

Patriotic Millionaires / Tax Justice UK Model

- **Structure:** Annual structural tax.
- **Rate:** 2% annually.
- **Threshold:** >£10 million net wealth.
- **Impact:** Targets only 20,000 people (top 0.04%).
- **Revenue:** £24 Billion annually.

Rewiring the Plumbing: The £60bn Package

Block 5: 4% Tax on Share Buybacks (£2bn) – Forces corporate investment into labor.

Block 4: Closing Non-Dom Loopholes (£1bn) – Stops offshore shielding.

Block 3: NI on Investment Income (£10.2bn).

Block 2: Capital Gains Equalization (£14bn) – Stops the subsidy on passive wealth.

Block 1: 2% Wealth Tax on >£10m (£24bn).

Total: £60bn

Dismantling the Elite Defense Mechanisms

MYTH VS. FACT: CAPITAL FLIGHT

Myth 1: "The rich will just leave."

Fact: Capital flight is vastly overstated. Empirical data from Nordic wealth tax models shows only 0.01% of the wealthiest households relocated. Place, culture, and physical infrastructure keep wealth tethered.

MYTH VS. FACT: ASSET LIQUIDATION

Myth 2: "People will be forced to sell their family homes."

Fact: The Statutory Deferral Scheme guarantees that if a taxpayer lacks liquid cash, the tax liability is deferred until the asset is eventually sold. No forced liquidations.

Cynicism is a **Tax on the Future**

The Concept: We are culturally trained to believe that “in nature, the strong must devour the weak,” and that extreme inequality is just the “real world.”

The Reality: This extreme individualism is a manufactured narrative. Cynicism paralyzes collective action. If we fight as isolated individuals fighting for scraps, wealth will mathematically continue to concentrate upward.

Takeaway: We must unlearn the robotification of human empathy.



The Actionable Pathways



Reframe the Narrative

Break the “meritocracy” myth. Share the data on in-work poverty. **Refuse** to accept that the state “has no money.”



Lobby the Institutions


Support organizations like **Tax Justice UK** and the Poverty Alliance. **Demand** explicit political commitments to the **>£10m wealth tax threshold**.





Organize Labor

Capital organizes globally to extract wealth; labor must organize to retain it. **Support trade unions** and collective bargaining to force capital to distribute profits.

There Is No Final Victory

 1920s:
Extreme Poverty

 Post-WWII:
Middle-Class Prosperity

 2024:
The Cliff Edge

Our grandparents fought their way out of extreme, deadly poverty to build the working-class society of the late 20th century. They proved that massive inequality is not a law of nature.

"There is no final victory, there is no final defeat. Just the same fight to be fought again and again."
— Tony Benn

We can cure the cancer, or we can lose the country. The power is ours.