Did a 24-year-old really make $35M betting against the working class?

2011

Citibank

$35,000,000

The Inequality Thesis

An anatomy of Gary Stevenson's historic 2011 trade, the macroeconomic reality of the UK wealth divide, and the case for taxing the ultra-rich.

The Fact-Check: Separating the Money from the Myth

The Verified Fact

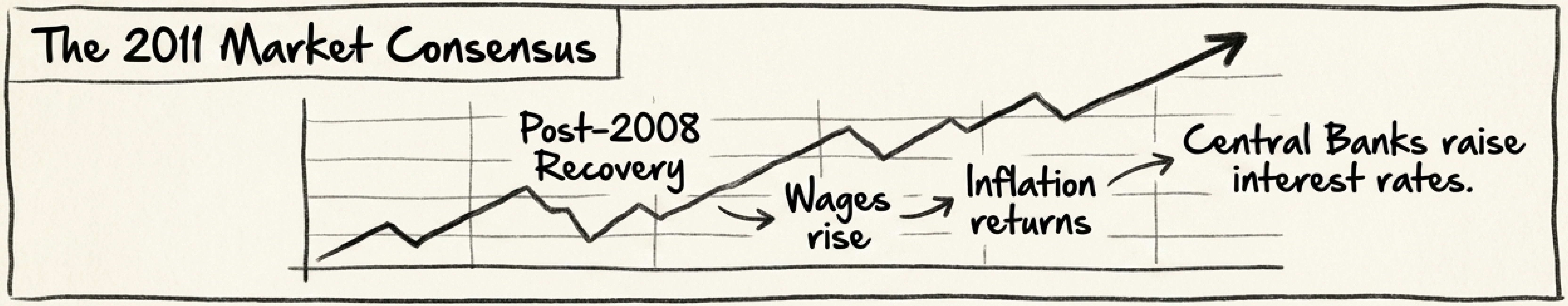
In 2011, Gary Stevenson generated a reported $35 million profit for Citibank. Former colleagues corroborated this exact figure to the Financial Times.

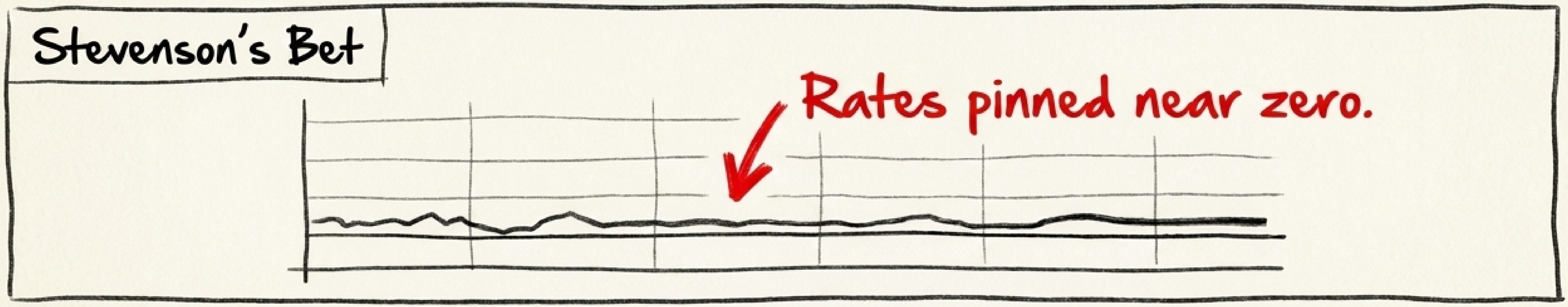
The Industry Dispute

The pushback from former colleagues centres entirely on ego. They dispute Stevenson's self-appointed title of 'the best trader in the world', noting Citibank didn't keep global rankings and others on different desks earned more.

The Verdict: The subjective title is disputed; the $35 million payout is real. He successfully exploited structural inequality for massive profit.

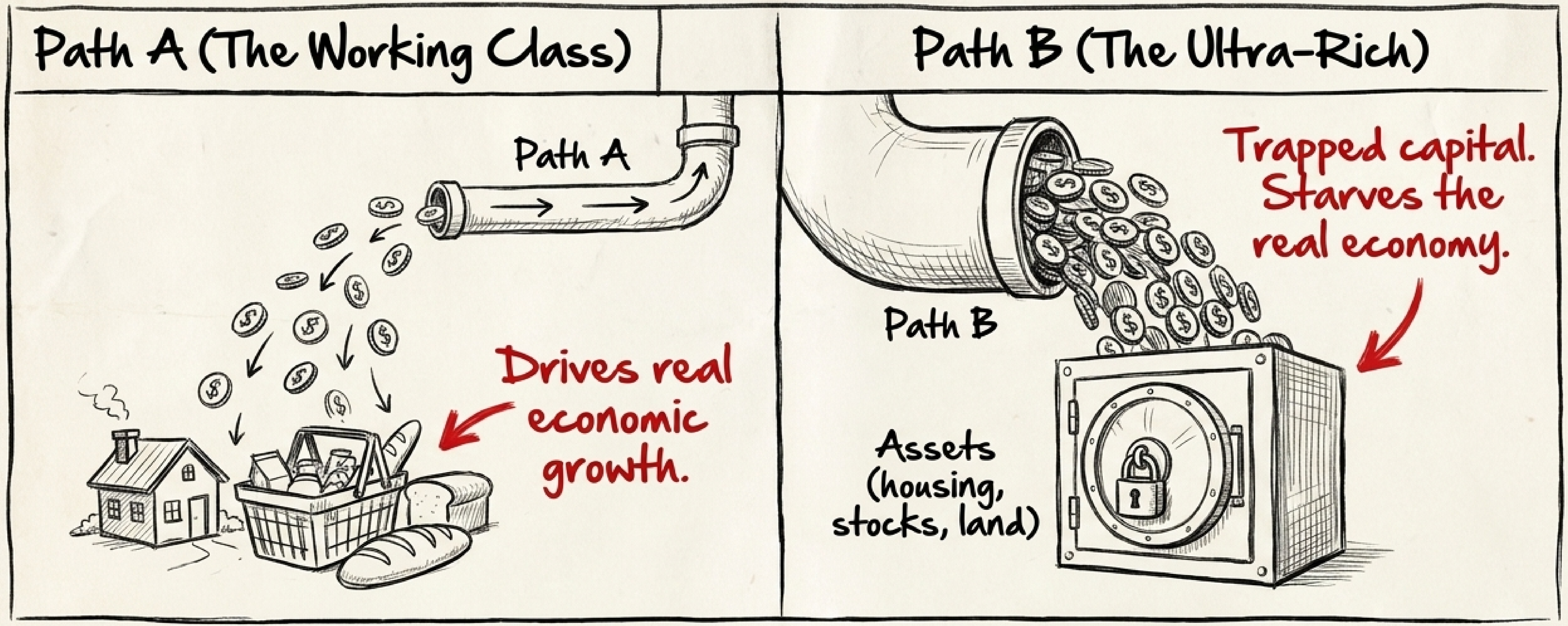
The 2011 Consensus vs. The Inequality Bet





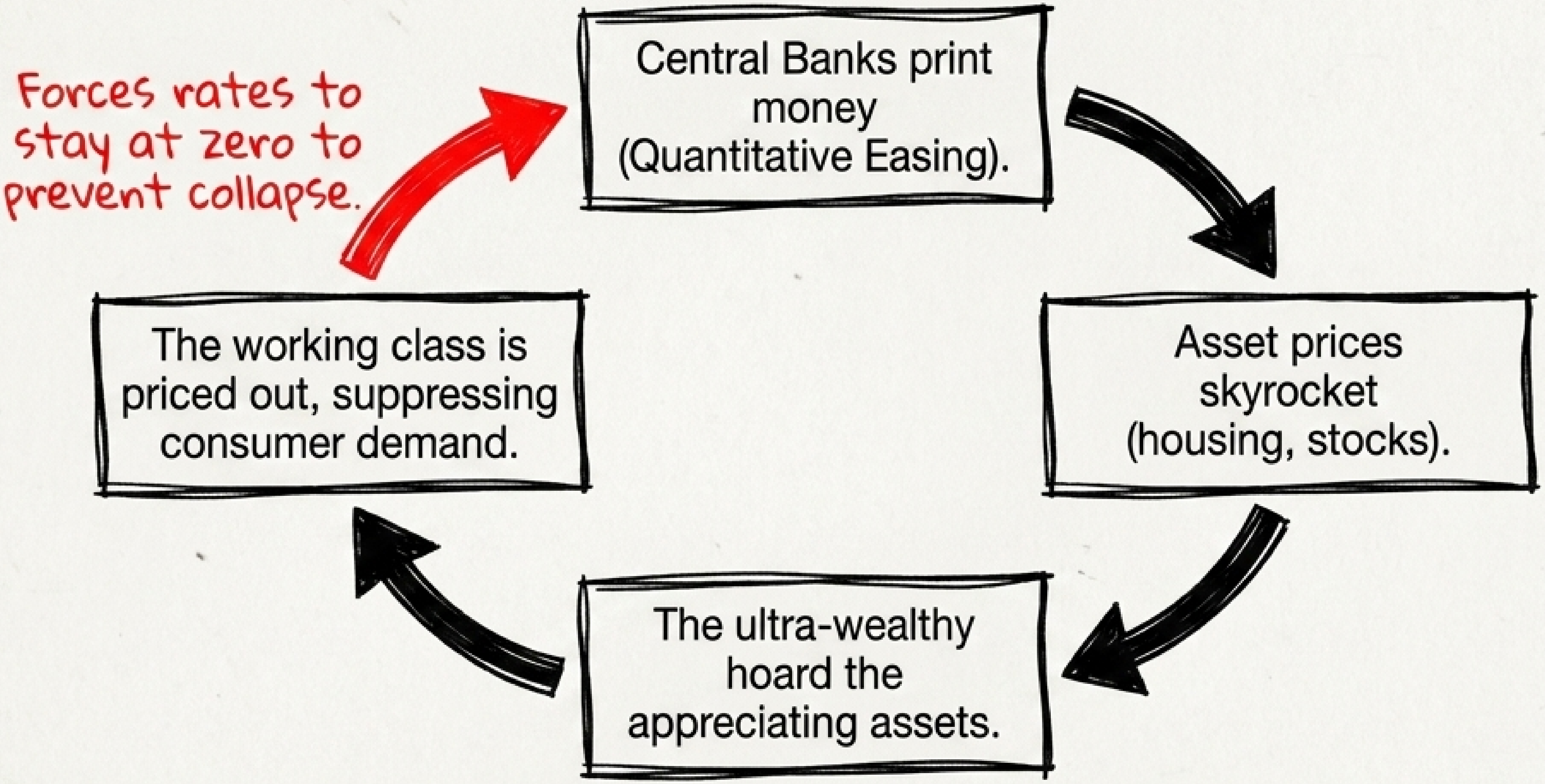
While the financial market expected a standard recovery, Stevenson spotted a structural blockage. He bet that the global economy couldn't sustain high interest rates because ordinary people had **no money left to spend.**

The Demand Siphon: Why the economy stalled



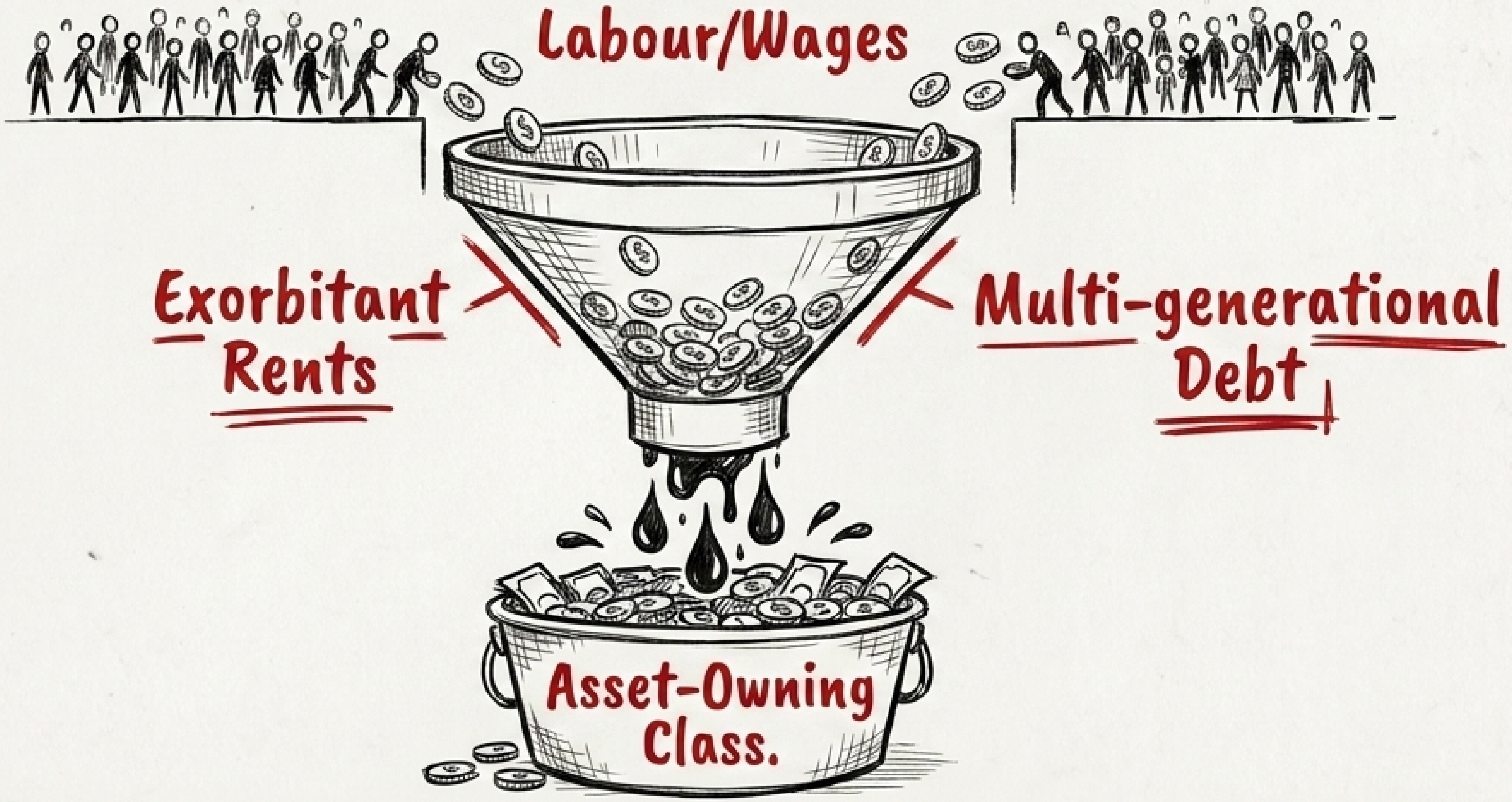
Quantitative Easing injected billions into the system, but it bypassed the working class. Capital was absorbed by the ultra-wealthy, who parked it in static assets. Without working-class demand to buy goods, the real economy stalled, forcing interest rates to stay near zero.

The Inequality Feedback Loop



Stevenson didn't just spot a temporary anomaly. He diagnosed a doom-loop. The system is mechanically designed to funnel newly created wealth directly into the portfolios of those who already own assets.

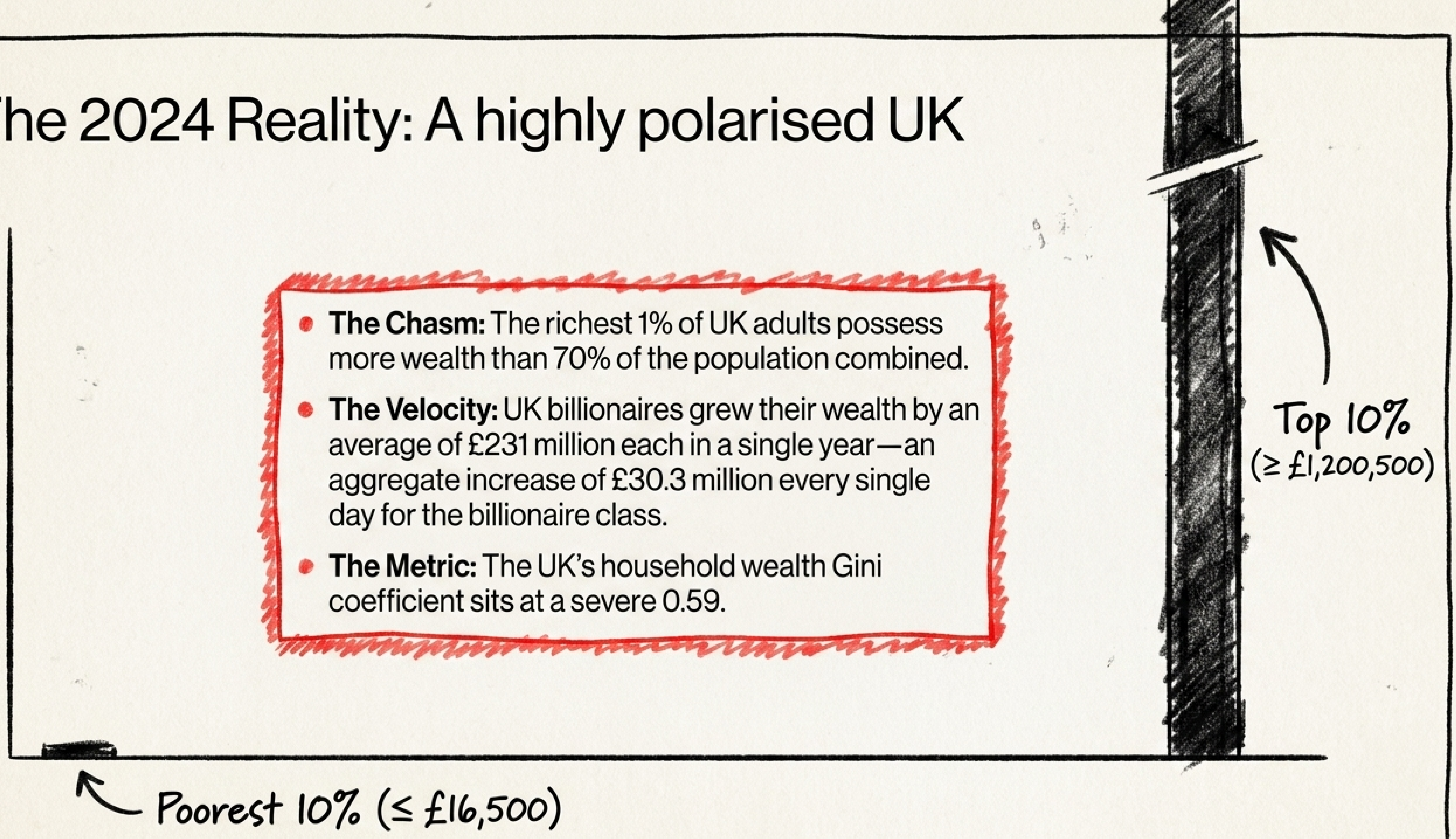
The Rentier Economy Funnel



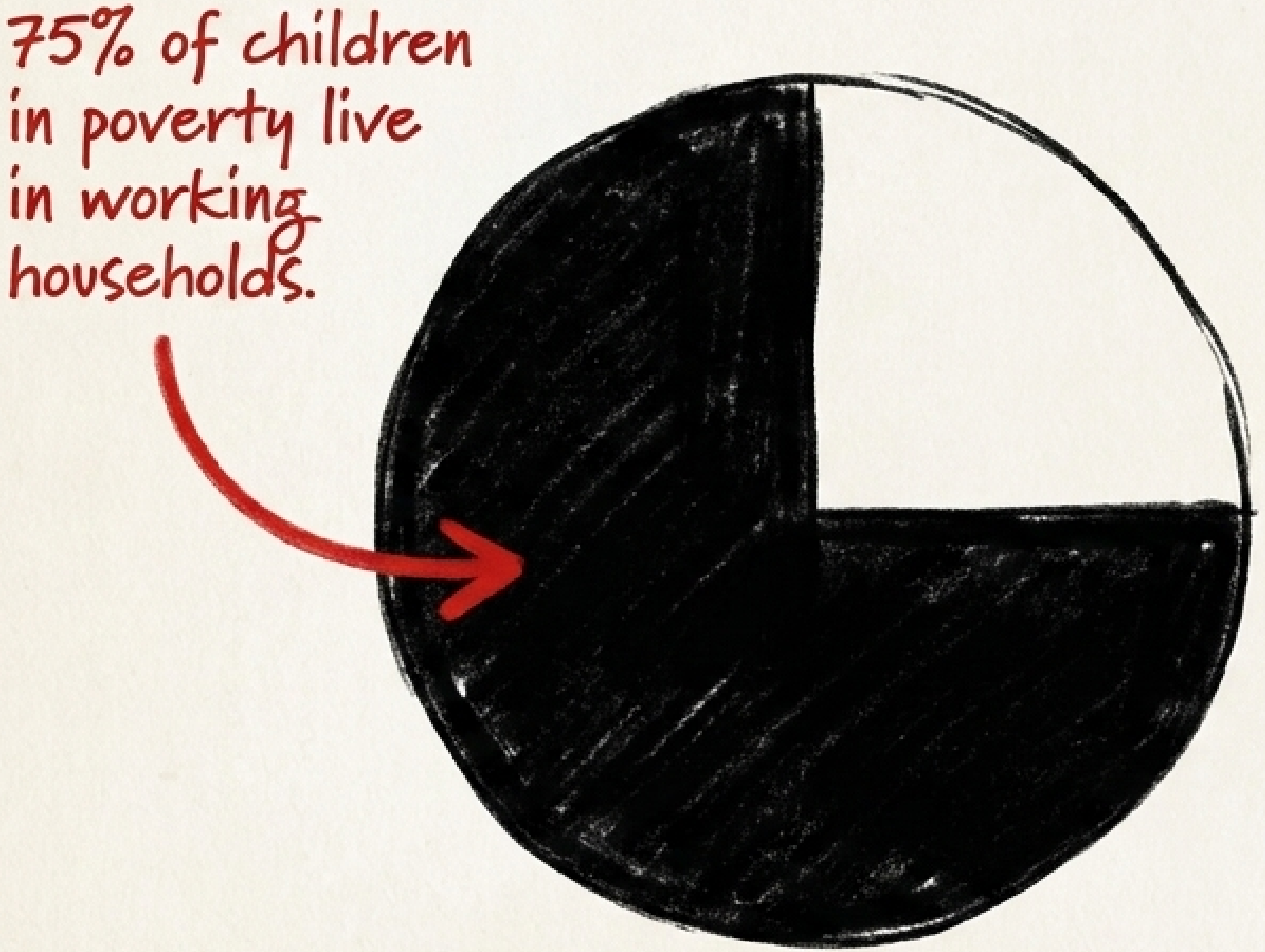
Asset price inflation has divorced wealth from labour. Wages have stagnated, while the cost of housing has exploded. Ordinary citizens are forced to hand over their wages via rent and debt servicing—a unidirectional transfer of labour value to the ultra-rich.

The 2024 Reality: A highly polarised UK

- **The Chasm:** The richest 1% of UK adults possess more wealth than 70% of the population combined.
- **The Velocity:** UK billionaires grew their wealth by an average of £231 million each in a single year—an aggregate increase of £30.3 million every single day for the billionaire class.
- **The Metric:** The UK's household wealth Gini coefficient sits at a severe 0.59.



The **collapse of the social contract**



The downstream effect of wealth hoarding is absolute deprivation at the bottom. Across the UK, 4 million children (27%) live in poverty.

The narrative that 'work pays' has fundamentally broken. In-work poverty now dominates. When capital is extracted to feed financial portfolios, local economies are starved of the consumer spending needed to survive.

The Economist's Sketchbook

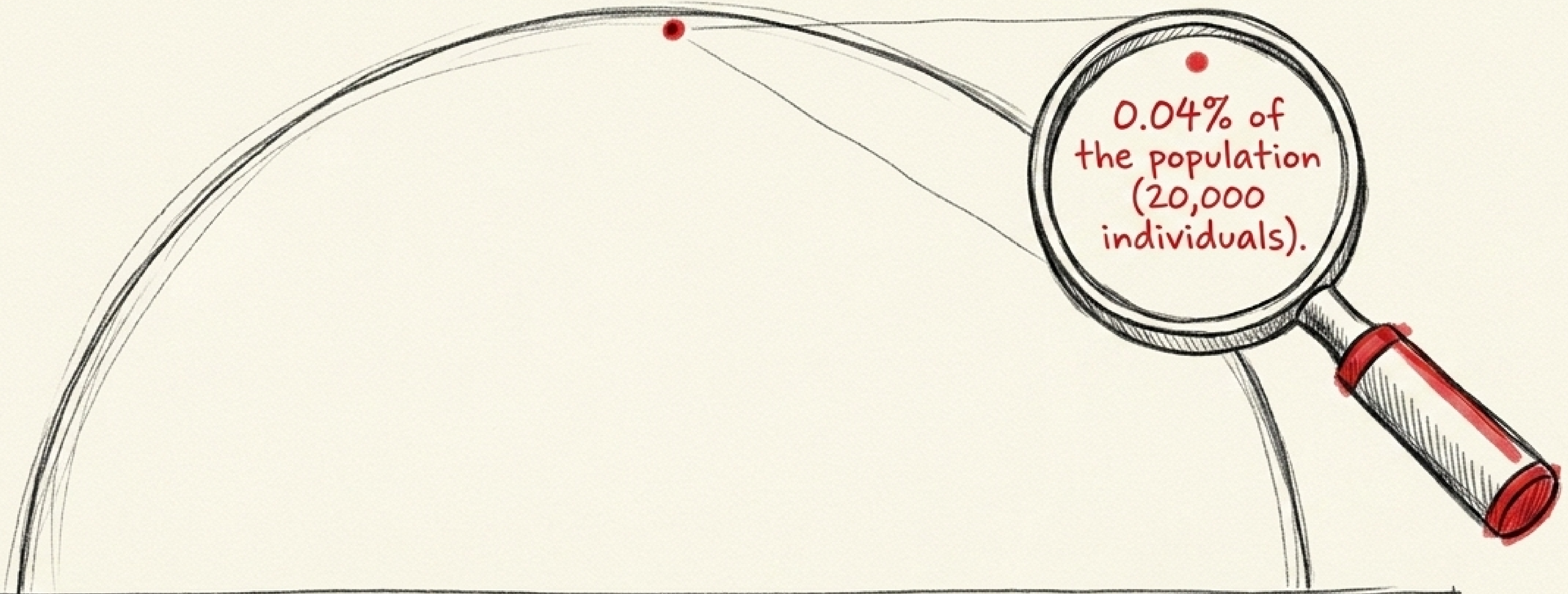
The Tax Anomaly: Rewarding wealth, penalising work

Average EU/UK Employee

Ultra-Rich / Billionaire

The world's richest people often pay lower effective tax rates than ordinary workers. Because they hold assets through personal holding companies and borrow against appreciating assets rather than selling them, they report little taxable income.

The Fix: A targeted 2% Wealth Tax



The primary proposal from tax justice advocates is a 2% annual tax strictly on assets exceeding £10 million.

It entirely shields the middle class, professionals, and 99.96% of small business owners. By targeting only 20,000 ultra-high-net-worth individuals, HMRC can focus resources on accurately assessing complex offshore assets.

How to raise £60 Billion annually

2% Wealth Tax (>£10M)	+£24 Billion
Capital Gains Tax Equalisation	+£14 Billion
National Insurance on Investments	+£10.2 Billion
Close Inheritance / Non-Dom Loopholes	+£2.4 Billion
Total:	£60 Billion

By ending the structural tax subsidy for passive wealth and equalizing taxes on capital gains with taxes on labour, the UK could generate £60 billion annually to clear NHS waiting lists, rebuild infrastructure, and reverse child poverty.

Debunking the ‘Millionaire Exodus’

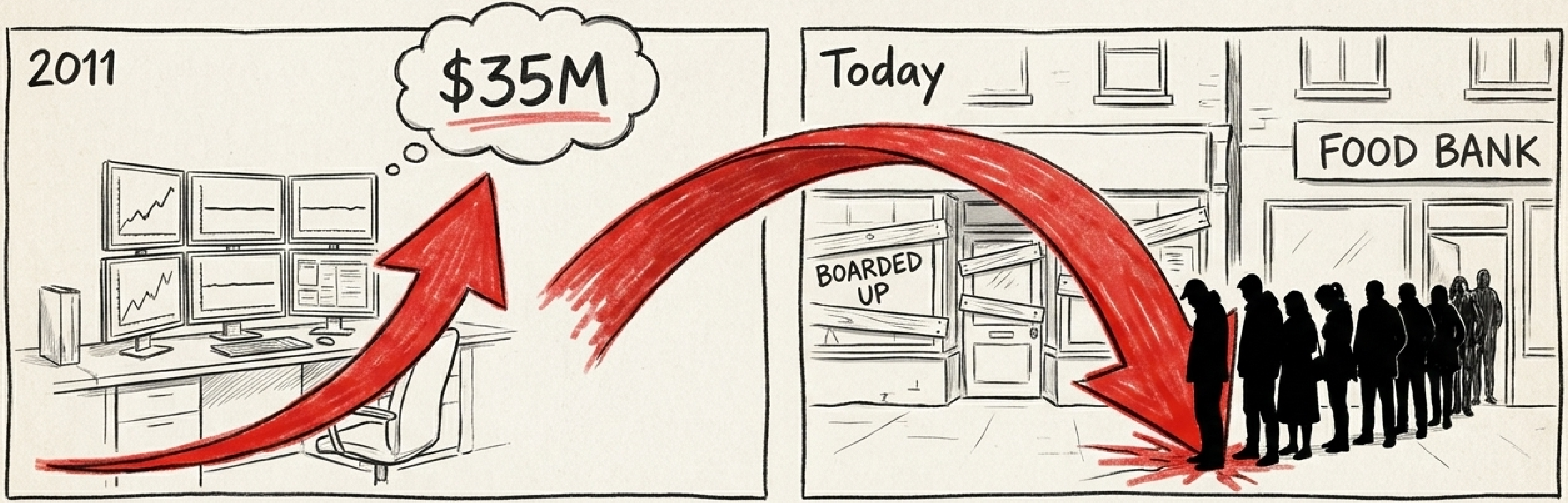
NBER Data

1 percentage point tax increase = only a 2% decrease in wealthy taxpayers.

Opponents argue a wealth tax will trigger mass capital flight. Empirical data proves otherwise. Place, culture, language, and business networks anchor the wealthy.

Studies of wealth tax reforms in Scandinavia show that only a fraction of a percent actually relocate. Furthermore, assets like UK prime real estate cannot be moved, and statutory deferral schemes ensure no one is forced fire-sell businesses to pay tax bills.

The trade that became a tragedy



Stevenson's $35 million trade was a warning from the Titanic's lookout. He proved that the modern economy has been re-engineered into a wealth-extraction mechanism. The same mathematical reality that made a 24-year-old trader filthy rich in 2011 is exactly what is driving the UK's cost-of-living crisis today.

The system isn't broken; it is working exactly as currently designed.

Where the numbers come from

- **The $35M Trade Corroboration:** Financial Times (Interviews with Citibank colleagues, 2024).
- **UK Wealth Divide & Poverty Data:** Office for National Statistics (ONS), Oxfam GB, Joseph Rowntree Foundation (JRF) ‘Poverty in Scotland 2025’ report.
- **Tax Reform Revenue Models:** Patriotic Millionaires UK, Tax Justice UK, The Wealth Tax Commission (LSE/Warwick).
- **Capital Flight Empirical Data:** NBER Working Paper 32153 (Taxing Top Wealth: Migration Responses).
- **The Macro Thesis:** Gary Stevenson, The Trading Game & Channel 4 News.