

“What would happen If we banned billionaires”

By Aarav Tapuriah

Billionaires are often perceived as symbols of wealth and success by the common folk, admired for their astute business acumen and entrepreneurial spirit. However, as the gap between the uber-rich and the rest of society widens, there are growing calls for billionaires to be banned altogether. While some argue that these individuals contribute significantly to the economy and society as a whole, others contend that their immense wealth comes at the expense of the working class and perpetuates economic inequality. Through this essay, I will argue why a ban on billionaires would not be an effective solution, as they are undeniable contributors to modern society.

It is important to acknowledge that for many, an opposing perspective prevails. It is believed that the wealth of billionaires is attained at the expense of the poor and the middle classes. In such cases, it is also believed that banning billionaires would lead to equitable distribution of income amongst different classes across the world. However, I posit that banning billionaires would not help further these arguments, as billionaires across the world are entitled to legislations that check these imbalances. For instance, they pay taxes steeper than other sections of society— several studies and research found that approximately 30 percent of a billionaire’s income worldwide is allocated to the fulfilment of tax obligations and multiple other legal formalities. Secondly, a blanket ban and an expectation to give up excess wealth could result in an unjust redistribution of wealth and assets in the hands of mega-corporations, rather than being channelled to charities in need, or towards something that may create an actual impact within society. This calls for a shift in perspectives towards acknowledging the societal and economic contributions of these symbols of wealth and success.

Billionaires have been fueling the economy for centuries now, creating job opportunities, financing ground-breaking research and innovation, and aiding socio-intellectual growth through knowledge-creation and facilitation. Amazon, for instance, which is founded by renowned billionaire Jeff Bezos, has created more job opportunities and injected billions of dollars in investments in the United States over the past decade. In January 2018, Bezos made a \$33 million donation to TheDream.US, a college scholarship fund for undocumented immigrants brought to the United States as minors. He also pledged 10 billion to combat climate change in 2020. Bill Gates, along with his wife Melinda Gates through their charitable institution, the Bill and Melinda Gates foundation have donated over 53.8 billion since 2000, through endeavours in the social development space, like collaborating with the Indian government and other partners to work on issues ranging from sanitation to healthcare to gender equality. Moreover, the organisation has been supporting its large and diverse employee community by providing them and their families with benefits like medical coverage and monthly premium coverage. These instances do not even scratch the surface of the extent to which billionaires leverage their seemingly infinite wealth for societal benefits. Now, imagine a world with a blanket ban on billionaires— this would have an immediate negative impact on the global economy and society. Rates of employment across the world would be disturbed, creating a vacuum of social unrest. It would also lead to a sudden decline in their philanthropic contributions, which currently amount to a significant portion relative to non-billionaires. In addition to this

there are billionaires who have also contributed positively and openly to wealth distribution like Warren Buffet, who generously pledged to donate 99 percent of his wealth to charitable organisations. Buffet is also a firm believer in the practice of billionaires having to pay higher taxes than the common folk, and has actively addressed the current inequality by nudging the US Congress to take action on the same.

The international mobility of an individual, or the ability to move around and interact with different people all across the globe is one important aspect to develop a well-rounded understanding of the self, society and global processes in general. Billionaires play an integral role in contributing to this mobility as their investments fund programs that enable and create knowledge and resource exchanges across borders. Banning them would de-emphasise innovation, which could in-turn risk a negative ripple effect leading to economic stagnation.

The contribution of billionaires is not limited to the economy; they have capitalised on their wealth to tackle some of the world's pressing issues, including global poverty, climate change, disease-prevention and food insecurity and more. Elon Musk, the founder of Tesla, SpaceX and the second-richest person in the world currently, has also developed products that aim to combat the negative effects of climate change. His invention of Tesla electric vehicles has reduced carbon emissions.⁽²⁾ In 2019, *The Giving Pledge*, a philanthropic initiative launched by Bill Gates, Melinda Gates and Warren Buffet announced that it had reached an important milestone by having two-hundred billionaires from around the world pledge to donate at least half of their wealth to charity. This is another example of what wealthy individuals are doing to channelise their funds to help tackle adverse global phenomena.

When it comes to the question of innovation, billionaires are not only primary innovators due to their ability to fund unique projects, it is also important to consider that they also have the power to foster innovation. They can, in a manner more dependable than others, fund projects which many others cannot, which in turn aids the success of innovative start-ups and small businesses. A Forbes article in 2015 found that 1,191 of the world's billionaires reached their financial peaks as self-made entrepreneurs rather than heirs to their family members. This demonstrates how much of a positive role billionaires play as innovators to the general public. In the years passing by, billionaires have been actively contributing to media and communications, leading to widespread debate about their contributions to the same fields. Billionaires invest in media outlets which in turn creates numerous job opportunities— for example Mukesh Ambani or the second-richest man in India, has invested in the Indian conglomerate for media and news, Network 18, and now owns the channel too. Additionally, billionaire investors can provide a unique perspective to media outlets by leveraging their expertise and networks across various industries and geographical locations.

Another industry that has greatly benefited through the contributions of billionaires is the education industry. Over the past few years billionaires have donated a significant amount of their funds to universities with the aim of enhancing facilities, infrastructure and producing more scholarship opportunities for students, etc. Michael Bloomberg, billionaire and former mayor of New York City has donated millions of dollars to John

Hopkins University. This benefitted the university as it led to overall development. Another example is when the Bill and Melinda Gates foundation donated \$1 billion to the University of Cambridge to establish a scholarship which provides support to students who are geniuses.

Moreover, over the past few years, space exploration has gained immense significance among various leading billionaires, like Bill Gates, Elon Musk, Richard Branson etc. who have invested in space exploration programs which in-turn is advantageous as it facilitates scientific advancements.

I believe firmly, that instead of putting a blanket on billionaires, lawmakers should try and make the system more just. Presently, only the top one percent of Americans hold nearly 15 times more wealth than the bottom 50% of the average American. I do agree that one of the most effective means of making the system more just is by ensuring that billionaires pay a higher amount of tax than the common people, due to the surplus funds they own.

All in all, banning billionaires is a broad consideration with different views towards it. I strongly believe that banning billionaires is not a viable and sustainable behaviour, as they provide to society significantly with their innovations and funds, as demonstrated above. At the same time, the public is now seeing that being a billionaire is not a badge of shame, but in fact a badge of honour, success and hard work of an individual. It means they contributed to their society.

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End Notes:

- Some articles are old as the billionaires who I covered and who inspire me had made the pledge, donation and contribution years back.