



Billionaires reach for the stars while world suffers

By Jeffrey Sachs

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(CNN) With all due respect to Jeff Bezos and other billionaires who [plan to spend billions of dollars](#) of their personal wealth on space travel, hundreds of millions of children who lack access to basic health care and schooling more urgently need help right here on Earth.



The world economy is pumping trillions of dollars into the accounts of a few thousand people. These riches should be directed first and foremost to end the millions of needless deaths caused by extreme poverty, and to educate the hundreds of millions of children who lack schooling. The billionaires would still have enough left over to indulge their longing for mega-yachts, personal space

ships, private tropical islands, and other conspicuous consumption.

The digital age has created winner-take-all markets in information -- including our personal data -- and Bezos, Mark Zuckerberg, Larry Page, Sergei Brin, and others are giddily reaping the benefits. In the past dozen years, according to Forbes Magazine, the number of billionaires and their net worth have both roughly tripled, [from 793 billionaires with \\$2.6 trillion in net worth](#) in 2006 to [around 2,200 billionaires with \\$9.1 trillion](#) as of March this year.

The flood of wealth to the top vastly outpaces economic growth. Much of the wealth reflects the redistribution of income from low-skilled workers, whose jobs and earnings are being lost to robots and artificial intelligence, to the super-rich owners of these "smart" systems. National income is [shifting away from lower-skilled labor to the owners of high tech](#), including key technologies whose development was originally taxpayer-funded, like the Internet itself and [Google's search engine](#).



The system is rigged for those at the top. The tech giants divert their mega-wealth offshore, [usually with](#) the connivance of the IRS, which turns a blind eye on outrageous schemes that reassign US-based intellectual property to [overseas tax havens](#).

The companies harvest our personal data, for which they pay nothing, to earn their fortunes. They are given patents that [create](#) 20-year artificial monopolies on

technologies that should be in the public domain.

The billionaires and the corporations they own use campaign donations and media power to cajole our "representatives" in Congress to represent them rather than us. The result is tax cuts and tax gimmicks for the billionaires, and massive deficits and debt left for us and our children to repay. [Companies like Amazon](#) entice cities to join the fiscal race to the bottom, as they compete to attract Amazon through offers of local tax breaks and publicly financed infrastructure.

The wealth at the top is rising so rapidly that even when Bill and Melinda Gates, the greatest philanthropists of our age, nobly give away several billion dollars each year to fight disease and hunger, their wealth soars anyway, with new capital gains vastly outpacing their giving. In 2010, Gates pledged to give away at least half his wealth and called on other rich individuals to do the same. [At that time](#) he was worth \$53 billion. Today, [his net worth is \\$94.8 billion](#).



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[Nearly 200 wealthy individuals](#) have joined the Giving Pledge over the past eight years, fewer than 10% of the billionaires. Moreover, there is no reporting or accountability of their actual giving. All in all, most of the world's richest people have not yet joined the battle to end poverty. Yet their wealth is so vast

that these few individuals could dramatically improve the lives of hundreds of millions of people.

Hundreds of millions of impoverished children live without access to basic health care or schooling. [Around 5.6 million children under the age of five](#) die each year because there is no clinic to safeguard their births, help them, if necessary, to take their first breath, provide life-saving antibiotics to fend off respiratory infections, or ensure timely access to a \$1 dose of life-saving anti-malaria medicine in the event of an infective mosquito bite.

Hundreds of millions of children lack access to adequate public schools with trained teachers, electricity, books, and hygienic facilities. The result is that kids leave school after a few years without basic skills needed for the 21st century.

These debilitating conditions could be overcome for a tiny fraction of the vast wealth of the billionaires. A mere 1% of the billionaires' net worth each year would amount to around \$91 billion, a sum that could ensure access to health care and education for the poorest children across the globe. (UNESCO estimates a global financing gap for education of [\\$39 billion per year](#); WHO professionals estimate a global financing gap for health of [\\$20-\\$54 billion per year](#)).



The billionaires should give this sum voluntarily, but when they don't, governments should put on a 1% net worth levy to fund the basic health and education needs of the world's poorest people.

When I led a commission 17 years ago that [pointed out how modest levels of aid](#) could make great strides against killer diseases like AIDS, TB, and malaria, I was

told that the aid would be stolen, the poor would not adhere to the drug regimens, and so on. This is the blather of rich people.

In fact, when new institutions were established, including the Global Fund to Fight AIDS, TB, and Malaria and the US Government's PEPFAR program to fight AIDS, [the programs saved millions of lives](#). Even so, despite the overwhelming evidence of their success, these worthy life-saving organizations remain bereft of adequate funding.

The mega-rich expect the adulation of the masses and often get it. Yet the forbearance of society for the antics of the mega-rich will soon wear thin. Too many people are suffering, too many lower-skilled workers are losing their jobs and earnings, too much wealth is being frivolously squandered, and too much power over our lives is being asserted by big tech and other corporate giants.

Donald Trump channeled the rising unhappiness into his electoral victory, but his trade wars and tax cuts for the rich only widen the divide. Real answers depend on redirecting the mega-wealth towards those in urgent need.

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People as dynamic and capable as Jeff Bezos should aim their great wealth and energies toward the world's urgent challenges: extreme poverty, needless disease, illiteracy, and environmental devastation. For those who don't do so voluntarily, governments should put a levy on mega-wealth.

Once society's urgent needs are faced and financed head on, there will be enough time and wealth to reach for the stars.