**Britain wealth gap(743)**

**Introduction**

Britain has quite a massive wealth gap where the bottom 10% of households have an income of just £4,467 pound where the richest 10% have a 24 times higher income of £107,597. These are the averages. The extremes show a much larger problem. Just within the top 1%, the average there is £253,927 but the top 0.1% or the top 10% of the top 1% had an income of almost a million pounds or £919,882. Overall the wealth in the nation is split as so: the bottom 10% of the people had less than 1% of the nation’s income as well as the following 10%, the third had a % of the nation’s income while the fourth had a combined 3%. The following 10% had another % over the fourth, the sixth had 6% and the seventh had 9%. The eighth brings us into double digits with 13%, the ninth had 19% while the top tenth had an astounding 15% of the nation’s income. The wealth is quite evenly spread over the nation although the richest area, London’s average is almost twice as high as Northern Ireland, which is the poorest.

**Why the large gap**

In credit Suisse’s latest global report the UK is described as a nation with quite stable income to wealth ratios for the first 70 years of the 20th century with a quite even distribution of money across the population for a large part of that period. The average household came to possess assets worth about four to five times greater than there income and many households came near the national average income. This stability ended by the turn of the 80’s when apparent wealth grew rapidly and became more concentrated among a few households. The housing market boomed until 2007, by that point the average household had almost 10 times more in assets than in wealth, doubling the ratio reported a mere 25 years prior. The country appeared richer but that wealth was held by a few. At this point the UK had the second largest inequality ever besides Japan in the late 80’s at the peak of its bubble. In 2007, just like in japan, the bubble burst causing assets to fall in value as much as 12 to 36% when measured in dollars since the pound itself collapsed in value. If we continue to measure in dollars the assets worth has still to recover to the level they held in 2007.

**Gap in education?**

*“It is geography that reveals just how divided we have become as a society in this country. There are places from which it appears almost impossible to succeed educationally and others where it seems very hard to fail. On any given day, a fifth of children in Britain qualify for free school meals. Just*[*one in 100*](https://www.theguardian.com/commentisfree/2012/may/23/social-mobility-nick-clegg)*of those children get to go to either Oxford or Cambridge University. Four private schools and one highly selective state sixth-form college*[*send more children*](http://www.bbc.co.uk/news/education-14069516)*to Oxbridge than do 2,000 other secondary schools. The most prestigious 100 schools secure*[*30% of all Oxbridge*](http://www.suttontrust.com/public/documents/sutton-trust-he-destination-report-final.pdf)*places. And 84 of them are private schools.”* -Danny Dorling The Guardian

The common complaint in the national debate on higher education is unfairly dominated by Oxford and Cambridge. But that matters, the richest 1% of the people have the biggest say in these matters and they have a large interest in putting their children into these schools.

**Living standards**

Recent years have seen a remarkable reformation in of low income in the UK. One great accomplishment is that pensioner incomes have grown quite a lot, and after housing costs, they are now the least likely demographic group to be in poverty. Another is that more people are working than ever before. The proportion of children living in a household where no-one works has fallen from one in four in 1995 to less than one in six in 2015. The less wealthy tend to live in households where there is someone working. Only a third of children below the government’s poverty line now live in a household where no one has a job. Two thirds of those classified as poor are poor despite the fact that at least one of their parents has a job. So if the new Prime Minister takes forward the ‘life chances’ strategy started by her predecessor, that strategy needs to focus on lifting the incomes of working households.

**Sources**

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