

Takers



The public and political mandate
for action against wealth extraction

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Jason Bunting | 18 May 2026**



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The online version of this report is at <https://fairnessfoundation.com/takers>

About this report

This report aims to help to build a cross-party consensus on the need for bold action on two fronts: to stem the extraction of wealth from our economy, and to rebuild a society that allows everyone to contribute and rewards those contributions fairly. It sets out the level of public and political support that exists for action on wealth extraction, and explores why it is a problem and what can be done about it.

About the authors

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About the Fairness Foundation

The Fairness Foundation works to change the debate around fairness in order to build a fairer Britain. We are a registered charity (1044174). Our vision is a Britain where everyone has the 'fair necessities' (fair essentials, fair opportunities, fair rewards, fair exchange and fair treatment). We believe that inequality is not only unfair and unpopular but is also damaging our society, economy and democracy. We work to persuade UK policymakers of the moral, the political and the policy arguments for tackling inequality.

Cover: *Work* (1852-63), by Ford Madox Brown

Summary

At their best, well-run capitalist economies are engines of extraordinary value generation, rewarding productive contribution, innovation and entrepreneurship. Through risk-taking, enterprise, and investment, those economies produce goods and services that improve people's lives. However, as the Labour Growth Group recently articulated in [An Honest Day](#), economic activity in the UK has increasingly moved away from rewarding wealth creation in the economy in favour of rewarding those who extract wealth and value. Our recent paper by Will Hutton, [Escaping The State We're In](#), makes a similar argument that we must 'grip the reins' of capitalism more firmly, by mobilising investment, disciplining extraction, rebuilding state capacity and aligning growth with the common good.

The bias towards wealth extraction has created a deep unfairness in Britain's economy, severing the link between contribution and reward. People who own assets - and organisations that can extract 'rents' from assets - have become much richer. Meanwhile, ordinary workers who play by the rules and work hard have seen their living standards decline markedly. Although some argue that benefits recipients or immigrants 'take' from our economy, the evidence overwhelmingly suggests that the problem with the 'takers' is at the top of the wealth distribution, not the bottom.

This report aims to help to build a cross-party consensus on the need for bold action on two fronts: to stem the extraction of wealth from our economy, and to rebuild a society that allows everyone to contribute and rewards those contributions fairly. It sets out the level of public and political support that exists for action on wealth extraction, as well as briefly exploring why it is a problem and what can be done about it.

We challenge policymakers to heed this call for an economy that serves everyone, and that rewards genuine wealth creation rather than incentivising wealth extraction. The prize is a fairer country, where opportunity is available to all and contribution is fairly rewarded once again.

The diagnosis

In the past, a distinction was drawn between wealth creation (the reward for activity that expands the social surplus - creating new goods, generating innovation, and improving efficiency) and wealth extraction (which is appropriated rather than created, and derives from the ownership of pre-existing assets, the exploitation of the scarcity of those assets, or the privileges conferred by policy or position). The distinction has also been described as being between ‘good’ wealth that derives from activity contributing to the common good, and ‘bad’ wealth that accumulates when "disproportionate and unmerited power is used to seize a larger slice of the economic pie at the expense of others".

In recent decades, we have lost sight of that distinction, and have begun to treat all forms of wealth as deriving from the creation of economic value. We no longer see the difference between wealth that serves the common good, and wealth that adds little to society or to the wider economy.

However, there are signs of a change in the political and public mood over the last few years. There is a growing understanding that our economy and society are shaped by the ‘bad’ wealth of asset inflation, rentierism, market concentration and financialisation. The next section explores these four pillars of the extraction economy.

How neoclassical economics obscured the role of wealth extraction

Early economists drew a clear line between activities that create value and those that extract value. In classical political economy, only productive labour and enterprise were seen as genuinely adding to wealth, whereas many forms of income without productive effort were considered unearned. The classical economists labelled unearned gains as economic rents – wealth attained by extracting value created by others.

The late-19th-century marginalist revolution (the rise of neoclassical economics) largely

abandoned this classical distinction. Neoclassical theory introduced the idea that each factor of production is paid according to its marginal contribution, implying that all incomes in a competitive market are justified by the wealth each actor creates. In practice, this meant if something commands a price, it is treated as creating value. The concept of purely extractive, unearned income (economic rent) was downplayed.

Under neoclassical logic, market price became the measure of value, blurring the line between making wealth and extracting it. Activities that classical economists might have called value-extraction (such as charging monopoly prices or collecting excessive rent) came to be seen as value-adding so long as someone was willing to pay. Modern economic metrics conflate paper wealth with real productive capacity, especially in rent-driven economies. It can therefore be hard to tell when wealth gains reflect new value created versus value merely transferred or appropriated.

Economists like Mariana Mazzucato have argued that we must rediscover the difference between value creation and value extraction. They point out that mainstream theory, by assuming “price equals value,” overlooks how some actors profit by taking value rather than making it. For instance, it is often noted that the vast fortunes of certain financiers or monopolists far exceed any productive contribution they make – their wealth comes from extracting value generated by others or from exploiting market power.

The four pillars of the extraction economy

Asset inflation

The most significant source of unearned wealth in contemporary Britain is the inflation of asset prices. As Stewart Lansley has outlined, the ratio of UK private wealth to national output rose from around three in 1970 to almost eight by the early 2020s. Real UK house prices doubled between 1995 and 2007. The distributional consequences of the processes that underpin this asset inflation

have been extreme. Our [Wealth Gap Risk Register](#) shows that the gap in total wealth between the top 10% and bottom 10% in the UK grew by 54% between 2011 and 2021, from £7.5 trillion to £11.5 trillion. There was also a 54% increase in the gap between the top 10% and the middle 10% (£7.3 billion to £11.2 billion). Put another way, median household wealth grew by a modest £4,000 between 2011–2019, while the top 10% saw their net worth surge by £280,000 — a 70-fold disparity. The size of the absolute wealth gap in the UK is now [second](#) only to the US among OECD countries.

This divergence reflects structural shifts in how wealth accumulates in advanced economies. Passive capital gains from financialised assets — equities, commercial real estate, offshore instruments — [now account for over 50% of wealth growth](#) among high-net-worth households, compared to less than 10% for the bottom 50%, who remain dependent on stagnant wages and depreciating physical assets. These dynamics perpetuate a self-reinforcing cycle: wealth begets access to higher-yielding investments, tax-advantaged portfolios, and intergenerational transfers, while asset poverty entrenches reliance on predatory credit and volatile labour markets.

Rentierism

There has been a shift in how income is earned in the British economy: away from production and exchange, and toward the ownership and control of scarce assets — land, housing, financial securities, intellectual property, infrastructure networks, digital platforms and long-dated public service contracts. Brett Christophers has [called](#) this rentierisation, and has [argued](#) that it, rather than financialisation alone, is the defining structural transformation of the UK economy over the past few decades. At the upper end of the market, finance and intellectual-property-intensive firms play a particularly large role, while a second tier includes utilities, property, and platform businesses that generate income from scarce assets or market reach. Taken together, this marks a notable change in the structure of the British economy. Rent-like returns appear more widespread and economically significant than in the past, in ways that would have looked unfamiliar half a century ago.

The housing sector exemplifies value extraction through asset inflation. Far from simply providing homes, housing has become a financial asset class yielding unearned gains for developers, landowners and landlords. Capital pours into bidding up property (and into financial instruments like buy-to-let and REITs), diverting investment from industry. Meanwhile younger generations face exorbitant rents and entry barriers, a direct social cost of value extraction via property inflation. The economy-wide result is talent and capital locked into chasing property gains instead of productive uses.

The financial sector channels capital into rent-seeking activities and short-term trading at the expense of investment in genuine productive industries. This dynamic is a hallmark of an extractive, rentier economy – profits are harvested and distributed upward instead of recycled into new factories, research, or upskilling. The financial sector’s focus on short-term returns and shareholder value thus redirects resources and human capital away from long-term productive endeavours, contributing to stagnant productivity growth and regional imbalances.

Capital that might once have financed productive expansion is increasingly recycled into bidding up the price of existing claims, a dynamic that has contributed materially to the persistent weakness of UK business investment and productivity growth. These patterns describe an economy in which a growing share of corporate profit and household income derives from the control of pre-existing scarce assets rather than from the creation of new productive capacity.

Market concentration

Across the UK economy, a steadily smaller number of firms now command a steadily larger share of revenue, profit and employment. According to Resolution Foundation [research](#), almost one-quarter of total revenue across British business is generated by 100 of Britain’s biggest firms. This is consistent with a wider pattern across the [OECD](#). The economic and political consequences of this concentration are well established. Concentrated markets raise prices, reduce competitive pressure to invest in productivity-enhancing capital, and entrench incumbency. The result is a transfer from

consumers, smaller competitors and workers to a narrow set of dominant firms and their shareholders.

To quote Claire Godfrey, Executive Director of the Balanced Economy Project: *“The basic problem with concentrated markets is simple: too much power in too few hands is bad for society generally, but it is especially bad for the economy. A functioning democracy depends on ensuring that private actors do not become more powerful than the state and the people. Governments grant firms the right to operate; that right is not unconditional. Historically, states have intervened when concentration threatened broader social interests. Roosevelt’s break-up of Standard Oil is an obvious example, as is the Allied break-up of IG Farben after the Second World War. Without active enforcement, dominant firms can set prices as high as they choose, since consumers become dependent on them. There is no competitive pressure to innovate, so society loses out on technological advancement and innovation. Workers, meanwhile, have fewer employment options and must accept the terms dictated by dominant employers. Concentrated firms also gain outsized influence over public policy. When they become ‘too big to fail’, governments are forced to accommodate them. These companies acquire structural and strategic dominance - the capacity to shape markets and, in some cases, entire economic sectors. Their lobbying power allows them to shape legislation and policymaking in ways that entrench their position.”*

Financialisation

The UK economy increasingly rewards capturing value rather than creating it. Four interlocking mechanisms drive this: IP rights (patents, copyrights, trademarks) grant monopoly pricing power to a handful of firms; private equity extracts cash from acquired companies through debt-loading and cost-cutting; outsourcing and PFI contracts let middlemen skim guaranteed public revenue while degrading services; and shareholder-first culture funnels corporate profits into dividends and buybacks rather than investment. In each case, returns flow upward to owners and financiers, while workers, consumers, and taxpayers bear the costs. The result is an economy structurally biased toward extraction over innovation.

A growing share of the UK’s business profits derives not from making new products at lower cost, but from controlling ideas, brands, and knowledge – and charging others for access. In sectors from pharma to media, companies rely on patents, copyrights, trademarks and other IP rights to exclude competition and command premium prices. These IP rents are now a significant feature of the modern economy.

The past two decades have seen an influx of private equity (PE) firms and leveraged buyouts in the UK. Unlike venture capital which funds new, growing companies, PE buyouts focus on raising returns from pre-existing assets, mostly in mature businesses. A typical playbook involves acquiring a company using heavy debt (often loaded onto the company itself), then cutting costs to boost cash flow – squeezing suppliers and workers. The goal is to extract maximum financial value in a 3–5 year window, via mechanisms like special dividends (paid for by new debt), asset sales, or reselling company at a higher price. This can generate high returns for the PE fund, but it often leaves the company and stakeholders worse off in the long run. When PE-owned firms dominate an industry, the sector sees reduced capital expenditure and innovation because the focus is on financial extraction.

The UK has also seen a rise of businesses that profit through secured contracts, often with the state, that guarantee income with minimal risk or innovation. The outsourcing boom – contracting out public services to private providers – has created a class of companies that derive revenue from government budgets (ultimately taxpayers!) by winning bids and then squeezing costs.

Underpinning many of these sectoral issues is a financial culture that prioritises extracting cash for shareholders over reinvesting for long-term growth. UK firms have embraced the norm of “shareholder value maximisation” to an extreme – manifest in high dividend payout ratios and share buybacks that funnel earnings to investors.

Why is wealth extraction a problem?

The policy impacts

The cumulative effect of these sectoral dynamics is an economy that is increasingly geared toward value appropriation over value creation. Capital, talent, and effort that might have gone into building new industries or technologies are instead drawn into rent-seeking channels where returns are quick and insulated. For example, a bright graduate might opt for a career in finance, law, or property deal-making rather than a lower-paid, and uncertain, path in manufacturing or tech innovation. Likewise, an investor may find it more attractive to buy existing assets (homes, infrastructure, patents) and collect rents than to fund a risky new venture. Resources are not flowing to their most innovative, growth-driving uses. Instead, they circulate in closed loops of extraction – bidding up asset prices, recycling corporate profits to owners, and consolidating market power.

This has significant social ramifications, because it happens at the expense of everyone else. Inequality widens as those who own assets or manage funds see outsized gains, while wage earners struggle with high living costs (e.g. rent, utility bills) and low income growth. Market dynamism suffers when incumbents face fewer challengers – a less competitive economy tends toward sclerosis, with entrenched interests lobbying to keep their privileges (be it bank-friendly regulations or strong IP enforcement) rather than innovating. The “innovative dynamism” that does exist in the UK – for example, its vibrant startup scene – often gets co-opted into this system (successful startups are quickly acquired by larger firms or private equity, who then extract their value). Too few UK startups scale into lasting companies because early exits (often to foreign buyers) are the norm, meaning that long-term value accrues elsewhere.

The consequences of wealth extraction can be grouped into four areas: unaffordable housing, sluggish growth, a broken social contract, and dysfunctional policymaking.

To read about these consequences in more detail, read the [online version of this report](#).

The political impacts

These policy impacts, and the wider dissatisfaction generated by an unfair, extractive economy, are increasingly evident in our politics.

At the heart of much of the political and social unrest across the West, on both the left and right, lies a deep and instinctive sense of unfairness. As we argued in our recent report [Rigged](#), many voters understandably feel that the social contract has been broken beyond repair by an economy that no longer rewards their labour, and instead privileges those who extract value. As wealth becomes ever more concentrated at the top, high levels of inequality corrode trust in government. This erosion of trust weakens social cohesion, fuels status anxiety and deepens resentment. In turn, these dynamics drive voters away from mainstream politics and towards more extreme and polarising alternatives.

Addressing the political consequences of this discontent ultimately requires tackling its root causes. Only by reshaping an economy that is rightly perceived as unfair can we begin to restore trust in our politics. We think about fairness in terms of five ‘[fair necessities](#)’, each of which is vulnerable to the damaging impacts of the extraction economy:

- **Fair essentials:** Everyone should have their basic needs met, but we need to go further to enable everyone to contribute to society
- **Fair opportunities:** Everyone should be able to thrive, without having to overcome unreasonable barriers to opportunity or earn a huge salary
- **Fair rewards:** Everyone’s hard work should be rewarded, in line with their contribution to our society as well as to our economy
- **Fair exchange:** Everyone should contribute to society by paying their fair share in tax, and in return should be supported by society when they need it
- **Fair treatment:** Everyone should be treated with equal respect and should be able to exercise equal influence on decisions made in their name

The public mandate

Policymakers should be encouraged by the strong degree of public concern about wealth extraction. The findings of our attitudinal research, detailed below, provide policymakers with a clear mandate to support genuine wealth creation at the same time as cracking down on examples of wealth extraction and exploitative business models. Further research is needed to gauge levels of support for specific policy options.

Attitudes to different sources of company wealth

What does the public think about the distinction between wealth creation and wealth extraction? Do they view certain business models as inherently 'creative' or 'extractive'? We carried out nationally representative polling with Opinium in January 2026 to find out.

We asked respondents to comment on the acceptability (or otherwise) of the business models of eight fictional businesses, each of which had doubled their profits recently, but in very different ways:

- **Tocrad** has developed a new type of hairdryer that is quieter, cheaper and more efficient than its rivals and has gone on to sell millions of them
- **Hydrome** has the regional monopoly to provide water to people living in the East of England, and has used its position to increase customer bills and borrow large amounts of money
- **Corazam** has become the biggest online retailer for electronic goods and is able to use its dominant position in the market to drive down the prices it pays to its suppliers

- **Artizem** has spent millions developing a new drug to treat Alzheimer's and has negotiated a contract to sell it to the NHS
- **Cronosphere** has bought up 50 struggling accountancy businesses and has reduced their costs through a major round of redundancies
- **Tixboss** has developed an AI tool that allows it to buy up concert tickets in bulk as soon as they are released and sell them onto fans at a big markup
- **Credum** has identified a loophole that allows football clubs to reduce their tax bills by claiming for tax credits intended for research, and is selling advice on how to exploit it to those clubs
- **Finawhizz** has reduced its costs by restructuring its operations so that some of its employees are reclassified as self-employed workers and are not liable for employers' national insurance

The results show that, while there are a mixture of predictable and more surprising variations in attitudes along political and demographic lines, overall there is a clear sense that the British public are strongly opposed to business models that are seen as extractive. Particular anger is reserved for business models that are understood to exploit consumers, workers or society more broadly, including those that avoid tax or rip off consumers. There are more mixed views about businesses that cut costs by squeezing staff or suppliers. However, there is strong support for businesses that do well by creating wealth through innovation and investment in R&D.

Each column in the table overleaf shows the 'net approval rating' (the percentage of respondents who selected the first answer, minus those who selected the second) for each of the five questions, for each of the eight businesses.

Business name	Is acceptable	Creates wealth	Works within system	Positive impact	To be encouraged	Overall net approval rating (average of all five ratings, each of which is % agree minus % disagree)
Tocrad	57%	41%	46%	50%	57%	50%
Hydrome	-54%	-53%	-54%	-51%	-57%	-54%
Corazam	-4%	-22%	-17%	-11%	-13%	
Artizem	27%	14%	16%	29%	22%	21%
Cronosphere	-5%	-16%	-12%	-20%	-15%	
Tixboss	-57%	-52%	-59%	-57%	-58%	-57%
Credum	-54%	-49%	-54%	-49%	-55%	-52%
Finawhizz	-40%	-36%	-46%	-43%	-43%	-42%

Importantly, opposition to the extraction economy is widely shared across all voter blocs (browse the [interactive charts online](#)):

- **Labour** voters are more slightly more likely than average respondents to say that all eight of the business models are acceptable, although in most cases they are also more likely to say that they are unacceptable (and less likely to sit on the fence).
- **Conservative** voters are more supportive of each business model than average, except Tixboss; they are very opposed to natural monopolies (Hydrome), but more relaxed about businesses that restructure to reduce national insurance obligations (Finawhizz).
- **Lib Dem** voters are, like Labour voters, less likely to be undecided than the median respondent, but they are more against business models based on establishing and exploiting market dominance (Corazam).
- **Reform** voters are broadly in line with the median respondent on almost all of the eight business models, but are more supportive than most of business models based on establishing and exploiting market dominance (Corazam).
- **Green** voters are the most negative of all groups when it comes to most of the business models, although there is still net support for two of them, product innovation (Tocrad) and R&D (Artizem).

These views are also shared across demographic groups, with some nuance (to explore these in detail, browse the [interactive charts online](#)):

- **Age:** Younger adults are more relaxed about many of the business models than older adults (e.g. net disapproval of Hydrome among 18-34-year-olds is 24%, compared to 66% for those aged 65+), and also slightly less supportive of business models based on genuine innovation.
- **Gender:** Women are generally more concerned than men about some of the more extractive business models (e.g. net disapproval of Tixboss among women is 63%, compared to 51% among men). However, there are no examples where a majority of women disagree with a majority of men.
- **Household income:** Higher-income respondents are more favourably disposed to most of the business models, with those on lower incomes less likely to approve even of innovation-based profits but also more hostile to exploitative business models than those with higher incomes.
- **Region:** Respondents in Scotland, the East Midlands, the East of England and the South East are particularly negative about the water monopoly (Hydrome), perhaps linked to negative perceptions of real-life companies in those regions. Welsh respondents show lower levels of support than average for several of the business models.

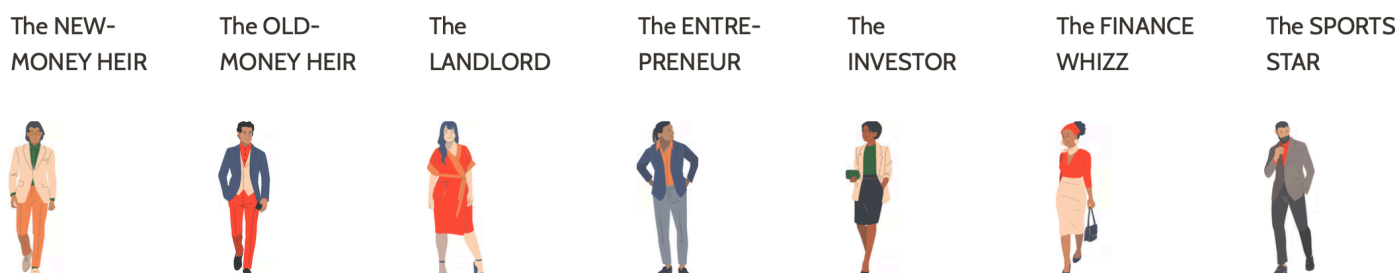
Ethnicity: Respondents from ethnic minority backgrounds are less supportive than white respondents of innovation-based profits, but are more supportive than white respondents of many of the more extractive business models, even if

more ethnic minority respondents oppose those business models than support them.

[Read the detailed polling report \(Making or Taking?, 2026\)](#)

Attitudes to different sources of individual wealth

How much do attitudes vary based on the source of the wealth, and in particular whether it was earned through work or acquired in other ways (such as inheritance, or rent)? In 2023 we worked with Opinium to ask people for their views about seven different characters, each of which have accumulated £5 million in a different way:



Most people think that opportunities to make lots of money are not evenly spread, and that many have achieved their wealth more through luck than by hard work.

Comparing 'net approval ratings' for the seven characters, the entrepreneur comes out clearly ahead, scoring high in terms of having earned their wealth fairly (and more through hard work than luck) and their positive impact on society, although many people do not think that everyone has an equal chance to become one.

The second most positively viewed character is the landlord, followed by the new-money heir and then the investor. Bringing up the rear are the sports star, the finance whizz and the old-money heir.

- 71% of respondents viewed the entrepreneur as having earned their wealth fairly, compared to just 29% of respondents who thought the same about the finance whizz's wealth.
- 34% of respondents thought the entrepreneur had earned their wealth mostly through hard work, compared to 18% of respondents who considered that the investor had done the same.

- 65% of respondents said the entrepreneur had a positive impact on society, compared to 22% who thought the same about the finance whizz and 27% who thought the same about the investor.
- The findings hold true broadly across 2019 Conservative and Labour voters, with Conservative voters broadly in line with the national average.

Character	Opportunity	Merit	Fairness	Impact	Tax	Overall net approval rating
New-money heir	-63%	-44%	35%	26%	-5%	-10%
Old-money heir	-74%	-69%	12%	-5%	-18%	-31%
Landlord	-44%	-4%	40%	24%	-14%	
Entrepreneur	-26%	12%	64%	60%	4%	23%
Investor	-58%	-33%	22%	4%	-20%	-17%
Finance whizz	-67%	-22%	1%	-6%	-26%	-24%
Sports star	-72%	-24%	6%	3%	-24%	-22%

[Read the detailed polling report \(National Wealth Surplus, 2023\)](#)

Taken together, these findings shows that there is a cross-party political mandate for action to tackle wealth extraction while supporting those who genuinely create wealth in our communities.

The political mandate

“We believe Britain’s economy should reward those who work, build and contribute — and confront those who profit from a broken system... It rests on a simple compact: that effort should lead to a better life, and that the rules should not be rigged against those who follow them.”

Louise Haigh MP and Chris Curtis MP, Labour

Policymakers from all of the main parties at Westminster are grappling with the shared challenge of tackling wealth extraction. An analysis of Hansard contributions on the issues related to the extraction economy (private equity, outsourcing, unearned wealth, rentierism, financialisation and excessive profits) reveals that concerns span the political spectrum, perhaps reflecting the extent of public anger.

Private equity

Labour MPs such as [Ben Coleman MP](#) have criticised private equity in the context of SEND provision, [Yuan Yang MP](#) has highlighted it in relation to Thames Water and [Rebecca Long-Bailey MP](#) has raised it in connection to grocery retailers and manufacturers. Others have mentioned it in relation to NHS mental health services ([John Whitby MP](#)), water sector reform ([Helena Dollimore MP](#)) and water companies ([Clive Lewis MP](#)), while [Noah Law MP](#) has criticised the incentive system created by the demand for PE companies across the economy. The role of PE in early education ([Sarah Russell MP](#)), retail ([Justin Madders MP](#)) and healthcare ([Stella Creasy MP](#)) has also been raised by Labour policymakers.

However, these critiques are not confined to Labour MPs. Private equity has also received attention from Liberal Democrats, specifically around its relationship with Thames Water ([Tim Farron MP](#), [Charlie Maynard MP](#) and [Luke Taylor MP](#)), school providers ([Munira Wilson MP](#)), social care ([Bobby Dean MP](#)), and Northumbrian Water ([Ed Davey MP](#)). Meanwhile, Conservative [Joe Robertson MP](#) has criticised private equity control of the local ferry, a view shared by his colleague [Paul Holmes MP](#).

Other aspects of the extraction economy

Many MPs have pointed to the effects of outsourcing in the economy. For example, Labour’s [Jon Trickett MP](#) has raised several issues related to outsourcing, while his colleague [Lord Tunncliffe](#) has expressed concern over its relationship with the steel industry, and Liberal Democrat [Baroness Janke](#) has spoken about the outsourcing of asylum housing. Many MPs and Peers have highlighted the issue of outsourcing on other areas of employment, such as the justice system by Labour’s [Lord Barber of Ainsdale](#) and employment rights by [Ian Byrne MP](#).

Other policymakers have raised concerns about how rentierism and financialisation have undermined support for genuine innovation and productive enterprise, including the Conservatives’ [Sir John Hayes MP](#). Views expressed on this issue by some on the right of politics are not entirely different from those of former Green Party Leader [Baroness Bennett](#), who has made many interventions on inequality, excessive financialisation and value extraction. Labour Peers such as [Lord Davies](#) have also criticised the financialisation of the economy, and [Lord Monks](#) has criticised the short-term shareholder value focus of many of Britain’s businesses.

Quotes from parliamentarians

“It is possible for an American private equity company to walk away from Thames Water, but my constituents cannot. When water company bosses fail, it is our residents who pay: in sewage discharged into rivers and in their crumbling pipes and drainage.”

Yuan Yang MP, Labour

“Millions of pounds are being paid to private equity-backed funds to run sexual health centres in the NHS—the iCare clinics. Billions of pounds are being lost to the legal loan sharks of our NHS—the private finance initiative companies—and some trusts are spending more on PFI payments than on drugs.”

Stella Creasy MP, Labour

“Given that our ferry companies are unregulated, privatised and controlled by private equity, the answer has come back that mayoral combined authorities will have powers to improve connectivity and timetabling issues.”

Joe Robertson MP, Conservative

“The public sector has lost the expertise and capability to deliver properly in that area [children’s homes], and now we have private equity firms that have eaten up the sector—completely oligopolised it—and, as a result, captured that market and charged local authorities through the roof for services that the public sector should certainly be delivering.”

Bobby Dean MP, Liberal Democrat

“Our SEND system is letting down many children, and it is allowing a number of organisations with bad intentions to exploit the market failure in the system. I am talking about private-equity-run special school providers, which are making exorbitant profits, as they have with children’s homes. They are exploiting the lack of provision to hold local authorities and parents to ransom.”

Munira Wilson MP, Liberal Democrat

“We have a broken capital market...it is difficult for businesses to find the capital they need to start and, crucially, to scale...all the incentives are towards rushing to private equity or to an initial public offering and cashing out as soon as possible.”

Danny Kruger MP, Reform UK

“We are told not to worry; everything is in hand because US private equity group KKR—Kohlberg Kravis Roberts & Co.—has been selected as the preferred bidder to take control of Thames Water. This is not a British company, and it has no stake in British communities.”

Luke Taylor MP, Liberal Democrat

“At the heart of the issue is a perception that the water companies are prioritising profits over people and the planet...the current structure of these companies is dominated by private equity and opaque financial arrangements that have been used to take debt to unsustainable levels. Some companies have clearly been bought by irresponsible owners who have prioritised shareholder returns over long-term investment and environmental stewardship.”

Helena Dollimore MP, Labour

“Over the last 20 years or so, the two main ferry companies for the Isle of Wight, Red Funnel and Wightlink, have been passed between and traded by private equity groups. Just last week, Red Funnel changed hands in what was believed to be a distressed sale, with banks being owed tens of millions of pounds.”

Paul Holmes MP, Conservative

“We need a new economic model- one that harnesses the power of the state to break up the power of rentier capitalism and restore an economy that works for society, not against it. Fraternal economics is the means; popular wellbeing is the end.”

Sir John Hayes MP, Conservative

“It cannot be right that unearned income pays considerably lower tax than earned income.”

Matt Western MP, Labour

“The public do not want to pay towards rescuing discredited corporations that have spent decades extracting wealth from our countryside and polluting our rivers to the detriment of wildlife, the pleasures of wild swimming, and any ordinary citizen who cares about the natural world.”

Chris Hinchliff MP, Labour

“Community wealth building is the practice of creating an inclusive and democratically owned economy. It puts people before private equity profits, and champions the kind of economic development activity that is overlooked by industrial strategies, focusing instead on the everyday economy, where most people—our carers, our cleaners, our builders—work. Community wealth building is the missing piece of the puzzle to unlock growth for the benefit of everyone, everywhere.”

Sian Berry MP, Greens

What can we do about wealth extraction?

Identifying and tackling the problem

Breaking the vicious cycle requires more than deregulation or stimulus. It demands a reorientation of British capitalism, disincentivising extractive activity while systematically encouraging genuine wealth creation. That means reshaping tax, finance, competition, and corporate governance to favour long-term investment over short-term rent; directing capital away from bidding up existing assets and toward building new ones; and ensuring that innovation is retained and compounded within the UK economy rather than sold off abroad. Only by realigning incentives in this way can Britain escape the high-inequality, low-growth trap.

Escaping The State We're In

Some arguments put forward in our recent report [Escaping The State We're In](#) by Will Hutton (chair of our advisory board):

Britain needs a new political economy that combines dynamism and fairness. Intensification of creative destruction, vital to the growth process, must be accompanied by attention to the social consequences. This paper rejects the idea that growth and solidarity are in tension. Instead it argues for a settlement in which innovation, risk-taking and creative destruction are actively encouraged, but their rewards and social consequences are governed by the principles of fairness, contribution and opportunity.

That means building an economy around high-growth, mission-driven firms in sectors where Britain already has significant advantages, from life sciences and advanced materials to robotics, quantum and defence technologies. It also means reforming pensions, scaling up the British Business Bank and National Wealth Fund, developing a vibrant British venture capital industry, using procurement strategically, and backing clusters around universities and growth sectors.

Economic reform cannot succeed without a stronger social settlement. Affordable housing,

good work, active labour market policies, better technical education, investment in the early years, and fairer utility and consumer markets are essential to social cohesion and to sustaining consent for a more dynamic economy. Underlying all of this is the need for a stronger and more capable state.

[Read 'Escaping The State We're In' by Will Hutton \(2026\)](#)

Specific policy solutions

For some of the potential policy responses to wealth extraction, grouped into two areas (taxation and regulation), **[read the online version of this report.](#)**

Conclusion

This report makes the case that a cross-party political mandate exists to tackle wealth extraction. Across different political traditions, there is a growing readiness to diagnose today's challenges as rooted in an economy that privileges wealth extraction over wealth creation. There is an increasing recognition among policymakers that this dynamic is distorting markets and undermining growth, while worsening social outcomes and reducing public faith in our democratic system.

Public opinion reinforces this view. As this report has set out, there is a strong public mandate to back the makers of the economy and curb the influence of the takers. People instinctively recognise that not all wealth is created equally, and that some forms of wealth contribute to shared prosperity while others undermine it. Public anger at business practices that exploit consumers, workers and society is matched by strong support for genuine entrepreneurship, dynamism and innovation as the foundations of a healthier economy.

Taken together, these trends point to growing momentum behind a political economy that prioritises the fair reward of contribution and seeks to unpick the unfairness of the current settlement. By expanding opportunity and ensuring a fair chance in life for all of Britain's communities, this approach speaks directly to the concerns shaping today's politics. As debate over Britain's economic future intensifies, policymakers should recognise the strength of this mandate and place it at the centre of their diagnosis.

This diagnosis should also foreground the principles of fairness: that rewards should reflect contribution, while the role of undeserved good and bad luck in shaping life chances is reduced as far as possible. Bringing these principles to life requires rebuilding a social contract that values agency and rewards ambition, while restraining the forms of extraction that have been allowed to grow unchecked.

The prize is a stronger, fairer and more confident country that is prouder of itself and more at ease with its future.

Further reading

[An Honest Day](#) (Labour Growth Group, 2026)

[Renewing Britain's Economy: Tribune Group Perspectives](#) (Renewal, 2026)

[Escaping The State We're In](#) (Fairness Foundation, 2026)

[Fixing the Shop Front of the State](#) (Labour Together, 2026)

[Wealth Gap Risk Register](#) (Fairness Foundation, 2025)

[The Trillion Pound Question](#) (The Purposeful Company, 2025)

[A Wealth of Opportunities](#) (Bright Blue, 2024)

[Wealth Accumulation: The Good, the Bad and the Ugly](#) (Stewart Lansley, 2024)

[Rentier Capitalism](#) (Brett Christophers, 2022)

[The Acquisitive Society](#) (R.H. Tawney, 1920)



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