

**SUMMARY: Wealth inequality is a barrier to the government's Plan for Change and its safer streets mission. This briefing sets out how and why this is and what the government can do about it.**

## The gap between the wealthiest and the rest of us is getting worse

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**Rising wealth has created large gaps between those with wealth and those without it; the wealth gap presents a growing risk to the UK**

- While relative wealth inequality has remained stable (the richest 10% still own about 60% of the nation's wealth) over recent decades, the absolute wealth gap has widened dramatically. Soaring asset prices have triggered a massive surge in UK private wealth. Combined with stark disparities in asset ownership, this has led to the absolute gap in wealth between the top 10% and the bottom half of the population growing by nearly 50% between 2011 and 2019. This gap also drives and magnifies other forms of inequality, especially regional divides.

## Countries with large wealth disparities have higher levels of crime

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**Wealth inequality is associated with high levels of crime**

- Economic deprivation and lack of opportunities can drive individuals from disadvantaged backgrounds towards illegal activities. Moreover, heightened inequality can breed resentment, erode social cohesion, and weaken the moral fabric of society, making criminal behaviour more prevalent.

**Wealth inequality undermines social mobility**

- Traditional narratives of upward mobility through hard work are becoming increasingly unrealistic in the UK. The stark contrast between the rapid growth of wealth at the top and stagnant wages for the majority has created a sense of economic injustice and frustration. This widening disparity has fostered a perception that the socioeconomic system is fundamentally flawed or rigged against ordinary people. Consequently, some individuals, feeling disenfranchised and lacking legitimate pathways to financial security, may be driven to engage in antisocial or disruptive behaviours as a form of rebellion against systemic inequities.

**Wealth inequality encourages status anxiety, potentially contributing to increased crime rates**

- Individuals can become acutely aware of their relative position in society, leading to heightened insecurity and a constant need to measure up to perceived standards of success. This status-driven anxiety can manifest in various ways, potentially pushing some towards criminal behaviour as a means to bridge the perceived gap or attain symbols of higher status. Those who feel unable to achieve societal benchmarks through legitimate means may turn to illegal activities to gain wealth, respect, or a sense of power, further exacerbating social tensions.

## A more equal society would mean a safer society

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### There are a number of ways to reduce the level of wealth inequality in the UK or mitigate its impact on crime levels

- We under-tax income from wealth compared to income from work. There are a range of straightforward ways to tax wealth more fairly and effectively, such as equalising tax rates on capital gains with tax rates on employment income.
- Stronger trade unions would enable workers to secure higher wages and would redistribute wealth across the workforce. By advocating for fair pay and better working conditions, collective bargaining can effectively counterbalance the concentration of economic power.
- Moving towards a more robust and generous social safety system would make private wealth less relevant, potentially leading to a reduction in crime rates. Universal access to essential services such as healthcare, education, housing, and basic income support could significantly alleviate the financial pressures that often drive individuals towards criminal activities.

## The public aren't aware of the full scale of wealth inequality

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### Public awareness of wealth inequality and its impacts are limited, but they do recognise that it leads to increased crime

- People have an intuitive sense that wealth inequality is getting worse and is unfair in terms of both its causes and its consequences – even if the true extent of wealth inequality and its impacts on our economy, society and democracy is not widely recognised.

### Attitudes are likely to harden as the impacts of wealth inequality become increasingly obvious

- The large and very unequally distributed transfer of inherited wealth that is set to take place over the coming decades will dramatically increase the size of the wealth gap. This will likely undermine popular justifications of wealth being the result skill or effort.

### SUGGESTED PARLIAMENTARY QUESTIONS

- How does the government assess the impacts of wealth inequality on its safer streets mission, and what specific measures are being considered to address these impacts, to ensure that crime is reduced?
- What recent discussions has the government had on the relationship between wealth inequality and its Plan for Change, particularly in relation to its safer streets mission?

### MORE INFORMATION ABOUT WEALTH INEQUALITY

- We published a *Wealth Gap Risk Register* on Tuesday 15 October, with a [webinar](#) featuring Liam Byrne MP, Sonia Sodha of the Observer and Graham Hobson of the Patriotic Millionaires.
- You can read the *Wealth Gap Risk Register* online at <https://fairnessfoundation.com/risks>, including interactive data visualisations, or download a PDF version of the [full report](#) or the [executive summary](#).