

# This is Piketty's urgent new message on how to fight inequality



French economist and academic Thomas Piketty. Image: REUTERS/Christian Hartmann

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It is time to see whether a few zeros should be knocked off the 10-figure fortunes amassed by the world's billionaire club, French economist and author Thomas Piketty says.

Piketty, whose 2013 book "Capital in the 21st Century" was a rare international best-seller about economics, was an early critic of rising inequality in the world's economies since the 1980s.

His call then for a tax on fortunes has been echoed by others, notably Democratic presidential hopefuls Bernie Sanders and Elizabeth Warren. Piketty is doubling down on his arguments in a follow-up to be launched in English translation on March 10, which expands on the previous work's methodology and recommendations for reform.

"People say if you start questioning the number of zeros in the billionaire's fortune... where are you going to stop?" Piketty told reporters at a launch in London on Thursday of the 1,093-page "Capital and Ideology".

“At the end of the day I think we have to accept to have a democratic discussion about what is property of reasonable magnitude,” he said, arguing that the expansion of a super-rich class has not benefited society and has been accompanied by weak growth rates.

U.S. publisher Forbes estimates there were globally 2,153 billionaires last year, 55 fewer than the year before. But it says that was only the second time in a decade that both the number of billionaires and their total wealth shrank.

International Monetary Fund chief Kristalina Georgieva last month warned that rising wealth inequality around the world could be the harbinger of a new financial crisis and urged governments to take action.

Piketty’s latest book surveys what he calls “inequality regimes” through the ages, from slavery and colonialism to the Indian caste system and present-day versions of capitalism.

His analysis takes in the rise of the current generation of nationalist populist leaders and is critical of Western social democrat movements who became distanced from their working class voters in their efforts to be “the parties of the winners”.

It ends with a policy prescription that includes steeply progressive property taxation, caps on shareholder voting rights, greater educational equality, and a revamp of the world’s economic rules to curtail the free circulation of capital.

Asked if the proposals were realistic, Piketty said such reforms could take a while. But he also argued that such policies once formed the basis of a broad policy consensus before the de-regulation championed in the 1980s by leaders such as Margaret Thatcher and Ronald Reagan.

“What I am proposing is not radical at all,” he said. “It is a reasonable continuation of what worked in the 20th century.”

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