

Living on Different Incomes in London: Can public consensus identify a ‘riches line’?

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Table of Contents

Acknowledgements.....	4
About the authors.....	4
Executive summary.....	5
1. Introduction	6
2. Context	8
2.1 Why study a ‘riches line’?	9
2.2 The case for seeking a consensus	11
3. Methods	13
3.1 Sample composition	16
3.2 Ethics	17
4. Research findings.....	18
4.1 Identifying different living standards	18
4.1.1 Describing different standards of living	20
4.1.2 Intangible aspects of higher living standards	25
4.2 Normative discussions of ‘riches’	32
4.2.1 Sources of income and wealth.....	33
4.2.2 Behaviours of the wealthy and super rich.....	35
4.3 Threshold: is there a normative riches line?	41
4.3.1 Is there a line above which riches are excessive or ‘too much’?	42
4.3.2 Is there a line where riches are too much due to diminishing returns?	43
4.3.3 Are riches unfair (social justice concerns)?	45
4.3.4 Are riches threatening social cohesion?.....	47
4.3.5 Are riches threatening democracy (due to disproportional political influence)?.....	49
4.3.6 Are riches concerning due to ecological considerations?.....	50
5. Discussion: Establishing consensus on a ‘riches line’	51
5.1 A descriptive but not a normative riches line.....	51
5.2 Policy implications and next steps	52
6. Conclusion	54
References	56
Appendix	58

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Executive summary

While many academics have focused on describing and defining poverty, there is relatively little corresponding research about people's perceptions of what it means to be rich. This is despite the fact that current discourse about inequality often centres around high income or wealth. This innovative study aimed to explore what members of the public living in London think defines progressively higher living standards and whether they could identify a point at which financial resources (either income, wealth or both) could be considered excessive. London was chosen as the location for the study because economic inequality is particularly pronounced and also plainly visible.

Bringing together three leading institutions with expertise on inequalities and living standards, the research adopted the 'consensual budget standards' methodology which has been developed to identify a Minimum Income Standard (MIS). This involves recruiting groups of members of the public to discuss and negotiate consensus on specific questions. In this case, the groups discussed what difference having higher incomes and greater wealth made to people's living standards, everyday lives, behaviours and expectations, and how that in turn affected society and the world around us. Findings were fed forward from group to group in a process designed to check, confirm and broaden consensus.

The project identified a shared idea of different living standards that ranged from a minimum socially acceptable level as defined by MIS (with the acknowledgement that many in London are below this) up to a category unanimously labelled by groups as the 'super rich'. Between these levels, participants drew distinctions between a living standard described as 'securely comfortable' and one described with various labels including 'wealthy' - a level at which people were able to afford various things that most people cannot, such as a second home, private education and expensive pastimes and holidays. While groups agreed on a description of what a wealthy living standard included and enabled people to have and do, they did not agree that it was excessive or unreasonable for people to live at this level. Rather, participants largely endorsed affluence as a reasonable aspiration, and important for avoiding the precarity and unpredictability of current times, with fears expressed around job, housing and healthcare security. To the extent that group participants had reservations about higher living standards (particularly the super-rich), this was influenced by views about how people had come by their money, how they spent it and whether they contributed to society, for example by helping to create jobs.

The findings suggest that while many members of the public are concerned about economic inequality, this does not translate into generalised opposition to individuals becoming rich, or to a societal consensus on a threshold beyond which an individual's financial resources are considered excessive. Therefore, if policy makers wish to address inequality, they may do better to think in terms of narratives of how riches are acquired and spent, and how people with greater resources are encouraged to behave and contribute to society, rather than starting from the premise that there is a consensus among the general public about how much is too much.

1. Introduction

The growing share of national income and wealth taken by a small proportion of the population (Alvaredo et al., 2017) has stimulated political and social discussion about whether this is ethical or acceptable, or a phenomenon that needs to be curbed, for example through redistributive taxation. High income and the concentration of wealth can be considered problematic for various reasons. Large inequalities can intrinsically damage social well-being (Pickett and Wilkinson, 2010; Wilkinson and Pickett, 2018). Excessive shares of Gross Domestic Product (GDP) going to those at the top can constrain the scope for relieving low income, especially given environmental constraints to growth (Sayer, 2015). Furthermore, where income inequality causes unequal distribution of power, it can alienate worse-off groups and damage democracy (Robeyns, 2019).

Further, there is an association between inequality and poverty: higher inequality in a country often goes along with higher poverty (Atkinson, 2015; Hills et al., 2019). Hence, even if our main concern is with poverty, we may support inequality reduction for the instrumental reason that it can also help to reduce poverty (Hills et al., 2019). Proposed mechanisms explaining the link between inequality and poverty include that inequality in one generation may reinforce both inequality and poverty in the next due to unequal life chances, that inequality may lead to less knowledge about the lives of others and less empathy in society which may reduce support for poverty reduction policies and that higher levels of inequality make it more challenging to reduce poverty via government redistribution. Geographical polarisation may reinforce these mechanisms, and labour market factors including discrimination may lead to both poverty and inequality (Hills et al., 2019). This report will present findings on a less well-researched aspects of inequality: 'riches' and 'richness'.

Although frequently discussed in the media and in popular discourse, so far not much attention has been paid to defining, and analysing public views towards, 'the rich' or 'riches' in the social sciences. In addition, public discourse is constrained by the lack of an agreed measure of who is 'rich'. To develop such a measure is not straightforward. While excessively low resources clearly prevent people meeting material and social needs, high income or wealth cannot easily be described in terms of having 'too much' to meet one's wants (Robeyns, 2019); individuals may always feel they could do with more. Further, identifying social harm or social disapproval arising from a particular threshold of 'excessive' consumption, income or wealth levels is complex.

This report presents the findings of a pilot study devised to explore whether a way can be found for the public to formulate a line above which someone is deemed to be 'rich', just as a poverty line signifies a threshold below which people are described as 'poor'. Specifically, it aimed to test whether a negotiated consensus among groups of members of the public could develop such a concept, in a way that would enable a 'riches line' or some similar threshold to be identified.

The research was based on the Minimum Income Standard (MIS) methodology, which involves iterative stages of deliberative groups of members of the public. Participants discussed a range of subjects and perspectives in order to see if it were possible to negotiate and develop consensus within and across groups. Six groups comprising people from different income groups considered how to build on the minimum socially acceptable standard of living described in MIS, discussing how to describe living standards above this level such that people would feel able to thrive, enjoying security, stability and peace of mind (meaning a living standard at which people can 'fully flourish' (Robeyns, 2017)). The groups considered what it means to be above this level, and whether there was a point beyond which additional income and/or wealth becomes unnecessary, excessive or socially harmful.

The project team combined staff from the Centre for Research in Social Policy (CRSP) at Loughborough University who have conducted research on minimum income standards since 2006 and from the Centre for the Analysis of Social Exclusion (CASE) at the London School of Economics and Political Science (LSE), who are currently

undertaking a major programme of research on links between inequality and poverty. Academic advisers from the University of Birmingham and LSE contributed to the planning and design of the project, and an Advisory Group, comprising a panel of experts and stakeholders supported the development of the research and the reporting of the findings.

The research took place in London, drawing on Londoners’ knowledge of the costs and nature of life in the capital to see if there was agreement on a point at which people can be considered rich (*a descriptive riches line*) and on a point at which the many well-off people living in the city could be considered to have a level of resources that was socially undesirable or detrimental (*a normative riches line*).

Descriptive	Normative
Descriptions and observations	Value-based judgements
E.g.: Describing riches (what it means to be rich)	E.g.: Making value judgements about whether it is right, beneficial or desirable that some people are rich

This study addresses an urgent everyday issue, at a time in which resources accruing to the very rich are ever-increasing, while many are suffering the consequences of austerity policies, including extreme food and housing insecurity. The findings provide novel insights into people’s views on what it means to live at different levels of living standards in London, characterised by what assets, income streams, goods and services are accessible to each level (*description*), as well as unpacking people’s value judgements about different forms of wealth (and high income), and the uses to which it is put (*normative evaluation*).

2. Context

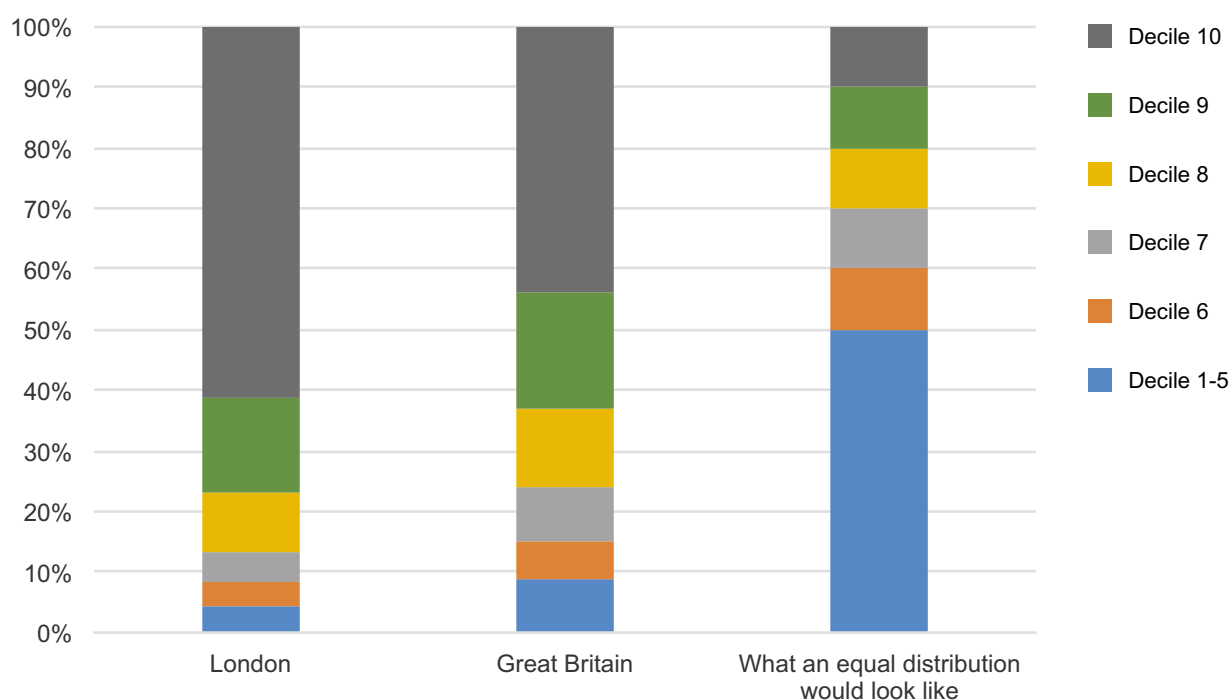
The research was conducted in London, a city with vast and visible economic inequality. Though London experienced extraordinary economic growth in the last two decades and relative resilience after the recession compared to the rest of the UK, internal inequalities have been growing in the capital (Obolenskaya et al., 2016). Arguably, people who live in London are more exposed to the extremes of inequality in their day-to-day lives. This in turn gives them experiential resources to draw on when discussing what constitutes a ‘riches line’.

According to HMRC data, in the tax year 2016-17, more than a quarter of income earned by taxpayers in London went to the one in 50 who earn a minimum of £200,000 a year¹. Over 80 per cent of these individuals are male. The average earned by this group is £580,000, over 30 times what a single person requires to reach a minimum acceptable standard of living, calculated as being £18,400 a year (Davis et al., 2018). Moreover, a majority of Britons earning over £200,000 a year live in London and the South East, while at the same time, four in ten Londoners do not earn enough to reach this minimum standard, more than any other region (Padley et al., 2019). Further, ‘just over half of all children living in London (51%) are in households that have incomes below what is needed for a decent minimum standard of living, compared to 43% in the UK’ (Padley et al., 2019).

Wealth in the UK is even more unequally distributed than income (Hills, 2013). The richest 10 per cent own 44 per cent of all wealth in Great Britain, while the poorest half of the population only own 9 per cent. In London, wealth is even more unequally distributed than it is in Great Britain overall. There, the richest 10 per cent own 61 per cent of overall wealth, while the poorest half of the population own just 4 per cent. Therefore, the distribution of wealth in the UK, and especially in London, is far from equal (Figure 1).

Figure 1: Per centage of total wealth owned by each wealth decile in London and Great Britain (July 2014-June 2016)

Source: Wealth and Assets Survey (Office for National Statistics, 2018)



¹ Calculations from HMRC Personal Income Statistics 2016-17, Table 3.11 (p51). Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/783132/National_Statistics_T3_1_to_T3_11_and_T3_16_tax_year_1617_-_FINAL.pdf

While the poorest half of the population own little of the wealth in the UK, there are a few individuals who own vast amounts of wealth. These individuals are concentrated in London. According to the Wealth-X (2018) Billionaire Census, there were 90 billionaires in the UK in 2017. A majority of them, 62 individuals (69% of the UK total), live in London. This makes London the fifth highest billionaire city in the world, following New York (103), Hong Kong (93), San Francisco (74) and Moscow (69). In the world overall, there were 2,754 billionaires (only 11 per cent of whom are female). Their number, as well as their wealth increased to record levels in 2017 (Wealth-X, 2018).

While economic inequality is clearly a current phenomenon, public attitudes towards more redistributive policies are complex and there is no agreement on what it means to be rich. When Labour MP and Shadow Chancellor of the Exchequer John McDonnell suggested in April 2017 that people earning more than £70,000 or £80,000 a year were rich and could pay more tax, a public debate on what being 'rich' meant was referenced mainly on the percentage of the population earning different amounts, not on what £70,000 could buy, or any consideration of assets. In 2013, when the government removed Child Benefit from anyone earning above £60,000 a year, some portrayed this as a cruel hit on the middle classes, others as a sensible means of giving less to the well-off. This study investigated how members of the public think about and discuss riches, providing insights into this complex issue.

Current political debates about tax policy are based on arbitrary assumptions about who should or should not count as rich. Similarly to John McDonnell, Boris Johnson, as part of his race to lead the Conservative Party, identified £80,000 as a threshold above which people can afford to pay more tax. However, while McDonnell suggested that those above £80,000 should pay more tax (45%), Johnson proposed that the threshold for the higher rate of income tax (currently 40%) should be raised to £80,000. Both politicians have identified a random threshold. Our research is a contribution to understanding what the public think about different levels of living, including those of the rich, and how these relate to the capacity – or responsibility – people may have to contribute to the common good and to help others less fortunate than themselves. As we will discuss, one of the implications of our findings is that a simple earnings threshold may not be a very good indicator: the public's conception of who is rich and should contribute encompasses wealth as well as income, and differentiates according to both the origins of those resources, and the uses to which they are put.

2.1 Why study a 'riches line'?

The examples of the income threshold for the eligibility for Child Benefit and politicians' efforts to define the rich highlight the difficulty in fixing any riches line in relation to high earners and the tax that they pay. In both these cases the threshold relates to an individual's earnings, yet the living standards attainable at a given earnings level are sensitive to the number and earnings of others in one's household, as well as the amount of wealth the household has accumulated. Yet pay differentials may be the most readily understandable ways to quantify income differences. The High Pay Centre (2019), established in 2011, argues that 'growing differences in pay between high and low earners are neither fair nor proportionate'. In any case, exploring what the public thinks about what 'rich' means to them is relevant for discussions about income thresholds as well as the taxation of income and wealth.

Another way of thinking about high pay or a riches line is to consider what it would take for incomes to be distributed more equitably, such that it was possible for everyone to have at least a social minimum. A theoretical calculation suggested by Marcelo Medeiros (2006) is to consider what sum of money it would take to move everyone above a poverty line or acceptable income threshold, and then consider for what salary threshold it is the case that all earnings exceeding this threshold add up to that sum (the Medeiros line). Top-slicing all incomes above that threshold to redistribute to those on the lowest incomes would be neither economically nor politically feasible. Nevertheless, it is relevant to know that any programme to address low income through additional progressive taxation would at least have to reduce living standards of people above this income level – by an

amount depending on how much people below the Medeiros line were also required to share the burden. A preliminary estimate (see Appendix) suggests that there is sufficient income presently earned above around £150,000 a year and not paid in tax to bring everyone in the UK above the Minimum Income Standard, were it to be redistributed for this purpose.

While the above discussion demonstrates that there are various justifications for seeking to curb high pay, income or wealth, there is at present no strong empirical basis for saying what should be regarded as high or excessive. Surveys asking people about their attitudes to high pay in both absolute terms and relative to others on lower incomes show that they think that the highest paid receive too much, but also greatly underestimate how high that level is in reality. 'People consistently underestimate pay differences between different occupations and especially the pay of the highest earners' (Hills et al., 2019, p. 75; Orton and Rowlingson, 2007). Such evidence is based on subjective responses to questions on how much people in different occupations, including the chair of a large national corporation and an unskilled worker in a factory, earn and how much they ought to earn, rather than on judgements informed by what different levels of remuneration would mean for their recipients in practice. Moreover, the view on maximum reasonable preferred high incomes that such surveys produce represent a wide range of different opinions, not a consensus on the matter.

The lack of empirical evidence for people's perception and normative (value-based) evaluation of riches can be a barrier to action partly because it is possible to deflect attention from any one well-off group by considering those who are better-off still. Higher-rate taxpayers earning just above £50,000 have modest means compared to top-rate taxpayers earning above £150,000, which in turn is only about a thirtieth of the average salary of a FTSE 100 chief executive (£4.5 million in 2016)². Further, people with assets of £1 million can point to their modest wealth relative to multi-millionaires on the Sunday Times rich list, some of whom can also point to the much richer billionaires in the UK. This project addresses this issue of the relativity of high income and wealth by speaking to members of the general population about their views.

Identifying a threshold at which people could be considered in some sense to be 'rich' is a complex and less well explored concept than a poverty or minimum income line, which can be referenced to the relatively simpler question of 'how much does someone need?'. For the rich, financial resources can be complex, comprising income (from labour and capital) and wealth, and reflected in a range of different forms of consumption and ownership. Previous, quantitative studies have tended to separate out income and wealth when considering the top of the distribution (mainly due to data available). However, the phenomenon of 'riches' needs to be understood as comprising both income and wealth, in the same way that poverty comprises both low income and lack of wealth (Townsend, 1979). Wealth can become a more important aspect of one's financial resources the richer one becomes; we would not, for example, consider a wealthy business owner to be in poverty as a result of her not making money in a particular year. Hence, even though a poverty line is most often expressed as an income threshold, wealth and consumption also need to be considered in thinking about living standards. Consumption and ownership can be a useful starting point in gauging the financial resources available to those in these brackets, providing a tangible notion of what is superfluous or could be deemed to be excessive, including from an ecological perspective.

The project team's thoughts on a 'riches line' were informed by Ingrid Robeyns' (2017, p. 5) philosophical theory of 'limitarianism', which argues that 'it is not morally permissible to have more resources than are needed to fully flourish in life', given that 'wealth undermines the ideal of political equality' and that there are 'unmet urgent needs' in the world, for example extreme global poverty and local and global disadvantage. Environmental and sustainability concerns were a third key dimension that featured in preliminary discussions about the project. Research shows that income is linked to per capita consumption-based emissions, at both a household and national level (Gough, 2017). This suggests that reducing riches would restrict and reduce people's consumption of resources and production of carbon and Green House Gas (GHG) emissions, for example by limiting use of luxury transport, private services and consumables.

² <http://www.telegraph.co.uk/business/2017/08/02/average-ftse-100-ceo-salary-fell-17pc-last-year-still-takes/>

2.2 The case for seeking a consensus

Historically, benchmarks of low income have been helpful reference points for policy makers and practitioners. The poverty line of 60% median income, despite being an arbitrary threshold, is based on the idea that the experience of poverty is relative to the general living standard in a society, and an internationally recognised measure which provides the basis for various policy targets. The Minimum Income Standard (MIS) was developed to provide a more tangible threshold, based on research on what items members of the public think are required for a minimum standard of living that allows people to participate in society. Over time it has become an established measure of living standards as a threshold below which no one in society should fall, which takes much of its credibility from the fact that it is based on public consensus.

While MIS only looks at what is required as a *minimum*, the consensual method used has potential for identifying some living standards above the minimum level. Recent research by the CRSP research team that carries out MIS explored whether it was possible for groups of citizens to develop clear consensus about separate living standards for pensioner households that were a) somewhat above the minimum, and b) at a higher level, significantly above the minimum. Emerging findings showed that not only could this be done, but that the MIS methodology allowed such levels to be quantified in terms of income requirements.

The concept of a 'riches' line, if defined as a line above which people are considered to have 'too much' (Robeyns, 2019) (rather than a *descriptive* line above which someone can simply be defined as rich) is by nature a normative evaluation. If public consensus on this *normative* view (that it is wrong to have too much) could be found it would be a valuable addition to debates about the scope for the redistribution of wealth or for the curbing of high income, including the compressing of pay differentials. But the idea of surplus, excessive or unnecessary income, consumption or wealth is open to many different interpretations.

The MIS approach is based on the idea that starting with public deliberations that focus on what people need to consume, rather than on the financial resources they require to achieve this, can help people to discuss different ideas and perspectives and reach consensus. Our project was designed as a pilot study to test whether this methodology could provide useful tools to explore the complex and challenging issues involved in researching a 'riches line'.

The proposed research aims were therefore:

- (i) To explore with members of the public from different socio-economic backgrounds whether there was scope for reaching consensus on how much one needs to own or consume to have a standard of living that allows people to have a wide range of choices and opportunities - what may be termed a 'fully flourishing life', as referred to by Robeyns (2017).
- (ii) To discuss living standards that go beyond this 'fully flourishing' living standard and what effect some individuals having that level of financial resources might have.
- (iii) To find out whether there was consensus on the existence of some kind of point or threshold beyond which additional resources could be considered superfluous or excessive. If so, what approaches and definitions further research could use in order to identify it.

Note that this research was set in the context of debates about redistribution, but did not itself seek to investigate the extent of support for particular policies. While it addressed participants' attitudes to people being rich and whether this is considered to be a harmful or wasteful distribution of economic resources, these are not the only factors influencing public support for redistribution. On the one hand, it is possible to think of wealth as harmful without thinking that the state has a right to take it away; on the other, even someone who does not think there is anything wrong with people being rich might believe that it is justified for richer people to contribute more than

others to addressing poverty. It was beyond the scope of this project to research views about public policy in any systematic way. In some cases, participants spontaneously brought up what they thought of taxation and other policies, and this is reported below where it sheds light on people's attitudes; for example, in talking about inheritance tax, they expressed a normative view accepting the legitimacy of people being able to accumulate a lot of money and being able to pass it on. Views about policy reported below should be understood in that context, not as part of the testing of the popularity of certain policies in the round.

3. Methods

This study used the MIS approach to inform the fieldwork design, adapting it for the challenges of researching both descriptive and normative (value-based) consensus about high living standards, and riches. In MIS, iterative groups discuss and negotiate a consensus on the needs of individuals in the same household type as the participants, described in terms of a basket of goods and services required to meet a socially acceptable minimum standard of living. These items are discussed in great detail through several stages of unique groups (i.e. each participant takes part in only one group) in order to check and establish a wider consensus. Once agreed on, these items are priced up to yield a minimum income standard for different household types.

This project aimed to discover and negotiate, if possible, a consensus on consumption ‘bundles’ of items, activities and services that members of the public associated with different levels of living *well* above a minimum. Throughout the study it became clear that wealth and income were also important for people’s views about living standards. As a pilot study it did not seek to quantify levels or lines of income or wealth per se however, nor did it question ultimate levels of wellbeing derived from these consumption bundles. Our research holds out the possibility that a riches or ‘maximum’ income line might be calculated at a later stage, but this was not our intention here.

In MIS research, while participants do not always start with identical ideas about what is needed for a minimum socially acceptable standard of living, through detailed discussion and negotiation they commonly converge on answers that the group as a whole can agree on. Where this does not appear to be possible, for example where there are two distinct arguments for and against the inclusion or exclusion of an item, or where a group does not seem able to reach a conclusion, subsequent groups help to resolve differences. This project used a similar approach in that a sequence of unique groups was held, with findings from the first two groups being fed into the third. Subsequent groups were asked to review decisions made by previous iterations and to provide further detail and insights, thus aiming to build on consensus where possible and identify topics or aspects where this was more problematic for further discussion at following groups.

The fieldwork took place between November 2018 and January 2019 and comprised six groups. The initial groups were asked to discuss and identify different living standards and the consequences of these levels for individuals, society and the global community, and the outcomes of their deliberations were fed forward to subsequent groups to check and develop consensus.

To find out how members of the public discuss life at different living standards and whether they could agree on a threshold above which people are seen as ‘rich’ (riches as *descriptive*), we explained the concept of the MIS approach to participants and started by asking them to discuss what kinds of goods and services might be accessed and available to people living in London at levels (well) above MIS and then categorised these into different levels of living standards. As outlined above, this approach focuses on a negotiated consensus on the goods and services needed for a particular standard of living, rather than on the financial resources they require to achieve this (these could be calculated subsequently). Alternative approaches, such as a discussion of wage levels, would require people to be well informed about earnings distributions, make complex assumptions relating to housing costs, rent levels or mortgage repayment terms, and still might not allow for meaningful consensus. Instead, participants focus on more tangible considerations: the type of clothing, food, transport, leisure activities and so on that they associate with a given living standard.

The groups were led by two researchers with observers from the wider project team who had the opportunity to ask supplementary questions towards the end of each session. The lead researcher had extensive experience with the MIS methodology. To explore how participants thought about those living at the higher end of the income

and wealth distributions, groups were asked about the range of living standards that exist above a minimum standard, and what features or characteristics might separate one standard of living from the next ‘step up’. As in MIS research, the project team agreed that it was important that participants should be able to employ their own terminology, rather than have descriptors such as ‘rich’, ‘wealthy’ etc. imposed on the discussions.

The topic guide for the first two groups introduced the concept of the socially acceptable minimum standard of living that constitutes MIS, then groups were asked to discuss what kinds of consumption and assets – i.e., what goods and services would be required - in order to have a living standard (well) above the minimum. This generated rich and detailed discussions about what people could do and how they might behave at different levels. From there we explored multiple aspects of how people conceptualised what living at these more affluent levels would mean, and how they differed from levels further up or down the scale. Groups were asked to devise labels or categories to describe the living standard of each level.

Groups were then asked at which of the levels so far discussed people might have a living standard that enabled them to have everything they needed – not for a minimum socially acceptable living standard, but for a standard that allows for people to thrive and enjoy some or all of the benefits that participants identified and associated with being at levels above the minimum, such as security, stability and peace of mind. In team discussions when the research proposal was being developed the term ‘fully flourishing’ was adopted as a shorthand for this standard.

In groups three and four participants were presented with the findings of the *description* of higher living standards and riches emerging from previous groups to see if they agreed with the standards of living described and asked to discuss what differentiated each level from the one either side. The final two groups considered levels C and D in particular (see below for a description of these levels). In groups three to six moderators represented the range of living standards described by groups one and two as points on a continuum from A to E, making clear that these were not equidistant points, nor did they represent equal proportions of the population.

In the second part of each focus group, to elucidate participants’ value-judgements (*normative evaluations*) of riches (part 2) we asked them what effects some people having higher standards of living had on society, (on individuals, and on a global level³). We were careful to ask open questions and elicit both positive and negative perspectives, benefits and harms. Following on from this groups were then asked if there was any point at which someone might be considered to have too much, or that the living standard might be so high as to be excessive (part 3). In preparing the topic guides we had wondered if environmental concerns would be raised as one of the global consequences of the consumption levels of the rich and super rich. Towards the end of each group, aware that participants had not spontaneously raised this issue, we informed groups of research findings that had established links between high income and increased environmental impacts to see how they responded to this input. The results in this study should therefore be interpreted as a ‘non-expert’ view on the matters addressed and this should be borne in mind when interpreting the results.

In MIS research a limited amount of expert input is presented to groups in order to inform some technical aspects of the discussion (e.g. micro- and macro-nutrients in the food component of the budget), in such a way as to offer it as a supplementary source of information for participants’ consideration. In this respect, the method should not be seen in the same category as deliberations on previously formulated views on living standards that start with a set of expert decisions that groups are asked to respond to (e.g. Storms et al., 2014).

The discussions were audio recorded and transcribed. During the focus groups moderators captured the essence of the discussions and emerging themes and terminology as they took place on flipcharts and in note form (see Figure 2 for an example of an annotated flipchart). The researchers compiled extensive notes after each group based on recollection, initial notes and the flipcharts. These were used to develop the topic guide design iteratively across the focus groups, as subsequent groups were used to consider, reflect and build upon the descriptions and decisions of previous groups.

³ While earlier groups were prompted to discuss effects on the individual, and on a global level, these emerged spontaneously in later groups.

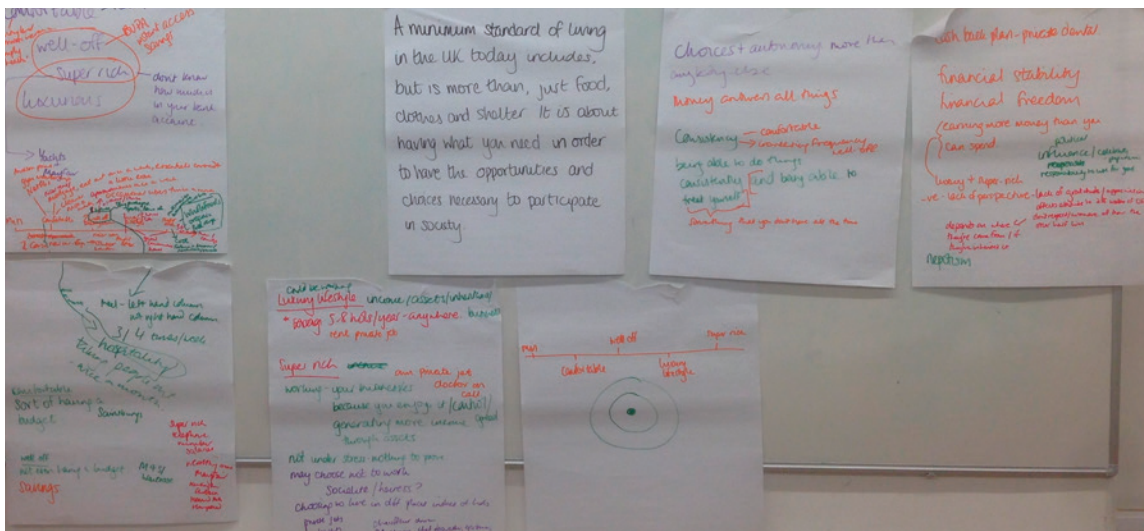
The audio recordings were transcribed and the data was coded using NVivo software and thematically analysed using a coding frame developed by the researchers with both inductive and deductive codes. The transcriptions indicated turns taken by individuals within the group, without distinguishing anything other than the gender of the speaker (as can be seen in the extracts in Section 4, i.e. they do not attribute each contribution by a male or female participant (indicated as M or W respectively in the quotations) to a particular named or numbered individual. This was because the focus was on the group discussion and consensus building, rather than the contributions of particular individuals. Codes were assigned to relevant text in the interview transcripts. Deductive codes were codes which related to themes which the researchers identified as important going into the research based on previous theoretical and empirical work. Inductive codes were codes which the researchers assigned to other topics which came out of people's discussions in the groups.

Limitations and challenges of the research

As predicted, there were challenges in deploying the MIS approach to explore the concept of whether or not consensus could be reached on the existence of a 'riches line', and, if so, how that might be described. Terms like excess, excessive and superfluous imply that to have them is at best frivolous and at worst deleterious. We wanted to know if people could agree that a) such a line might exist and b) that if it did, it could be identified in some way that could inform thinking about complex issues such as taxation, distribution of resources, pay caps, top salaries, financial bonuses etc. One of the key issues was that the term 'rich' can have both positive and negative connotations. As mentioned above, it was a key part of the approach not to impose terminology on group discussions, so the topic guides and questions asked deliberately avoided use of the words 'rich' or 'riches' unless participants used those terms. However, talking about riches and the rich without using those words and without implying any level of moral or value judgement was extremely difficult.

Untangling the potential roles and interaction of income, assets and wealth were as complex as we had expected and our data allows an initial exploration of these important issues. Navigating discussions of deservingness and fairness was another challenge. These were part of normative considerations but not the main focus of discussion and so could be further unpacked in future. Value-based discussions about wealth sometimes led to quite provocative views being expressed, as well as some participants choosing to disclose personal experiences and circumstances to validate their opinions about inequality. Groups were respectful of others' opinions and moderators were able to diffuse potentially tense situations, while also attempting to summarise and sometimes challenge apparently contradictory views. However, what remained striking was the large degree of consensus both within and across groups when describing higher standards of living.

Figure 2: Flip charts for Focus group 1



3.1 Sample composition

The main focus for the pilot study was on people of working age, both parents and non-parents. MIS groups comprise participants from a range of socio-economic backgrounds in order to get consensus across income groups. In this study we thought it possible that people from higher and lower income groups might find it difficult to find common ground, so the initial design included two groups of lower income participants (income under £30,000 per annum), two groups of higher income participants (income above £50,000 per annum) and two mixed income groups (see Table 1). In each pair of groups one was of people with children and one with people without, to see if having children had a bearing on ideas of what would be required to maintain different living standards and how financial priorities might differ between parents and non-parents. The mixed income groups were included to see if they reached similar or different decisions to those made by the previous groups of higher and lower income participants.

Table 1: Demographic characteristics of focus groups

Group	Description	No.	Incomes	Gender	Ethnicity	Median age	Age range
1	Lower income non-parents	10	Up to £20,000 = 3 £21,000 - £30,000 = 7	5 women 5 men	1 Asian 3 Black 6 White 0 Mixed	47	23-63
2	Higher income non-parents	9	£51,000 - £70,000 = 5 £71,000 - £90,000 = 3 £91,000 - £100,000 = 1	4 women 5 men	1 Asian 1 Black 7 White 0 Mixed	43	27-58
3	Lower income parents	10	Up to £20,000 = 6 £21,000 - £30,000 = 4	5 women 5 men	0 Asian 3 Black 7 White 0 Mixed	45	26-65
4	Higher income parents	10	£51,000 - £70,000 = 6 £71,000 - £90,000 = 3 £91,000 - £100,000 = 1	5 women 5 men	0 Asian 1 Black 7 White 2 Mixed	50	36-60
5	Mixed income non-parents	10	Under/up to £20,000 = 2 £21,000 - £30,000 = 3 £51,000 - £70,000 = 3 £71,000 - £90,000 = 1 Over £100,000 = 1	5 women 5 men	0 Asian 0 Black 8 White 2 Mixed	45	22-59
6	Mixed income parents	9	Up to £20,000 = 3 £21,000 - £30,000 = 1 £51,000 - £70,000 = 5	5 women 4 men	1 Asian 3 Black 4 White 1 Mixed	43	23-59

Participants were recruited using a professional recruitment company and each group contained between eight and 10 people from a range of ages and ethnicities. The recruitment process endeavoured to ensure that groups overall had a diversity that broadly reflects the London population. However, as this was qualitative research we did not attempt to impose quotas or to make our participants statistically representative in quantitative terms.

Originally a second phase of fieldwork was envisaged with three mixed groups of parents and non-parents, one in each category (one with higher incomes, one with lower incomes and a mixed income one). The purpose of this phase was for groups to consider the combined findings of the first phase, including any contrasts between different groups' decisions, to see if a common view could be reached. The final follow-up mixed income group was intended to consider the conclusions of the lower income and higher income groups and consider the scope for an overall negotiated consensus. In the event, this phase became unnecessary as there was already a high level of consensus emerging from the initial groups, and the team agreed that holding the final groups was unlikely to provide new perspectives. Also, as the sequence of groups progressed it became apparent that the discussions of lower income, higher income and mixed income groups did not significantly differ from each other, nor did those of parents and non-parents, so there was no need to mediate contradictory or widely diverging opinions between these different demographic groups.

3.2 Ethics

Participants were recruited by a professional research company and provided with information about the research before they decided to join the study. On confirming that they were willing to participate they were given further information and contact details for the lead researcher in order to be able to ask any questions in advance of attending the group, or to withdraw if they wished to. On arrival at the focus group researchers checked that everyone had received the information, gave opportunities to ask questions and made it clear that participation was entirely voluntary and that participants could withdraw from the research at any point. Participants were given an informed consent form following the guidelines of both academic institutions (Loughborough University and LSE). This form explained who the researchers were, gave their institutional affiliations and contact details, explained why and how the data was being collected, what it would be used for and how it would be handled. The data were kept as confidential as possible, and transcripts were anonymised to ensure that participants could not be identified either directly or indirectly (e.g. by name, or through a combination of occupation, gender, ethnicity etc.). Audio files of the recorded groups were protected through encryption software when being sent to and from the transcribers. Direct quotations from the transcripts were double-checked for anonymity when being used in the report.

Income data was collected by the recruitment organisation in order to identify whether participants were suitable for either the higher or lower income groups and to ensure that the mixed income groups were not imbalanced. Participants were not made aware of which type of group they had been recruited to and researchers did not make any reference to participants' incomes during the course of the focus groups. The recruitment materials and project information used the project title 'Living on Different Incomes in London' as it was agreed to be important not to use a title including the words 'rich' or 'riches line' because that might prompt people either to feel unable to contribute (because they did not consider themselves to be rich) or to see the discussion as an opportunity to berate 'the rich', when the research sought to explore how people thought about broader issues relating to different levels of income and wealth. We were also keen not to stigmatise groups on lower incomes or for participants to view others within their group in a way that related to their perceptions of others' incomes.

It is considered good practice to recognise the value of participants' time and their contribution to the research. All participants received a financial incentive for taking part. Prospective participants were informed about the payment at the recruitment stage. Payments were not advertised or used as an explicit means of enticement for participation. The incentive payments were given at the beginning of the focus group to reflect the fact that it is meant to reimburse participants for the inconvenience of taking part in the research but is not linked to performance during the discussion group.

4. Research findings

Discussions included ideas not just about what kinds of consumption would be involved, but also what kinds of decisions people at different levels would be making about how to spend their money, how financially secure (or insecure) they would feel and how they would interact with others. There was a high level of consensus both between and within groups about many, but not all, aspects.

This section reports the findings in three parts. The first describes the different living standards above MIS identified by groups. The labels groups came up with included ‘surviving comfortably’ for people who lived above the MIS, followed by the ‘(securely) comfortable’, the ‘wealthy’ and with surprising unanimity, the ‘super rich’. In addition to describing these higher living standards in terms of what assets, goods and services would be typical for or available to a working age household at that level, participants also discussed many ‘intangible’ aspects enjoyed by those on higher living standards (in particular freedom, security, power), hence these are also reported. The second part discusses the findings of the normative discussions about the nature of wealth, the lives and living standards of the wealthy and the super rich (participants’ considerations of benefits and harms). The third examines attitudes towards and ideas about the concept of a ‘riches line’, either as a threshold above which people can be considered to be ‘rich’ (a descriptive riches line) or as a threshold beyond which someone’s living standard can be considered to be ‘too much’ or excessive (addressing whether there was a consensus on a normative ‘riches line’).

4.1 Identifying different living standards

During part one of the discussions, the researchers explained the minimum acceptable standard as described by MIS research to participants. In discussions about what living standards above this might look like the first two groups identified four further levels of living standards above MIS. For ease of reference, the researchers labelled these five standards of living levels A-E, with MIS as level A. The levels B, C, D and E emerged independently in both of the first two groups, in that participants in the second group were not told the results of the first group’s deliberations but reached agreement on very similar outlines of the different levels. These living standards were then presented to subsequent groups to see to what extent people thought that these were realistic and relatable to their own opinions and ideas. In each case, groups were able to add more detail and clarity to what distinguished one level from another. As explained in Section 3, groups were asked to devise their own ways of describing or labelling the different levels so as not to impose or assume the meaning or significance of particular terms. Table 2 summarises the results of these discussions and shows how the labels varied for the different levels, topped and tailed by MIS at the bottom (Level A), and at the top, unanimously and spontaneously, by the ‘super rich’ (Level E).

Table 2: Living standards

Gr	Participants	<A	Level A	Level B (Surviving) Comfortably	Level C (Securely) Comfortable	Level D Wealthy	Level E Super rich
1	Lower income non-parents	<MIS	MIS	Comfortable	Well off	Luxury Living	Super rich
2	Higher income non-parents		MIS	Self sufficient	Comfortable	Wealthy	Super rich
3	Lower income parents	<MIS	MIS	Surviving comfortably	Securely comfortable	Aspirational comfortable	Super rich
4	Higher income parents		MIS	Not labelled (high street chains)	Flourishing, (Securely) comfortable, Well off	Wealthy	Super rich
5	Mixed income non-parents	<MIS	MIS	Not labelled ('fun nights in'; comfortable/self sufficient)	Financially (cap)able/independent	Wealthy, flourishing, (rich)	Super rich
6	Mixed income parents	<MIS	MIS	Not labelled (A and B referred to together)	Comfortable	Secure, affluent	Super rich

There was much discussion about the living standard at which you might be said to be fully flourishing (or an equivalent standard), with less clear cut consensus about whether this was at C or D. Level D was distinguished from the levels above and below it as having identifiably more than at C but still being a long way below E.

There were also discussions around the fact that some/many people live below MIS, but this was not a category that we sought to explore in this research.

After the first two groups, findings were fed forward to the subsequent groups, and participants were asked to check the list of indicative items and descriptions of living standards that had emerged from previous groups' discussions, particularly focusing on levels C and D as the research aims related to these more closely. The level of consensus on lists was very high, with subsequent groups adding more detail but not removing any items that had already been identified.

Finding labels for the different levels was not straightforward; meanings were subjective and contextually dependent. Also, some descriptors have normative connotations, either positive (e.g. 'self sufficient') or negative ('stinking rich'). The term 'comfortable' was often employed, but not consistently, so it was associated variously with levels B and C, or occasionally with D, depending on people's perspectives. Group 1 saw comfortable as being towards the lower end of the scale, using it to describe level B.

Man: For me there's a huge difference between being comfortable, which is knowing you've got enough money in your bank account that rent is not going to put you under and super rich where you don't even know how much money is in your bank account.

Man: I'm just thinking, trying to put this into a nutshell and wrap it up, how about comfortable [level B] is sort of having a budget but being OK with your money whereas [being] well off [level C] you don't necessarily budget even. In other words, if you want to eat seven times a week out or you want to stay in and just have Chinese or takeaway then it's neither here nor there. And then the type of car you drive is irrelevant at being well off [level C], whereas being at comfortable [level B] you would have to budget because you've got obligations to meet etc.

Woman: You can pay your mortgage, you can go to the movies, you can go out to eat once a week, that's comfortable [level B].

Group 1, lower income non-parents

Participants in the other groups used 'comfortable' to refer to level C, although group 3 used different formulations to identify levels B, C and D, which were 'surviving comfortably', 'securely comfortable' and 'aspirationally comfortable' respectively.

I mean that level in the middle there, [Level C] most people would say that's very comfortable being there, it's a very comfortable level [...] That's what you want to identify that is a comfortable layer that's what most people would regard as having that, all that. That's quite nice I could do that.

Woman, Group 5, mixed income, non parents

4.1.1 Describing different standards of living

This section reports the consensus reached by groups on what tangible items would be included within the different living levels they had identified. This was expressed in different ways for different categories – in some cases groups suggested retailers as a way of describing the quality and price range that people at a particular level might access. For example, at levels A and B household goods mostly come from inexpensive retailers such as Argos and major supermarket chains, at level C they might be bought from John Lewis or Marks and Spencer, and at level D they might be purchased at Heals (a high-end department store).

For holidays and eating out, the frequency as well as the range of choices both increased across the levels; for higher priced items such as new cars and the latest technology the replacement rate was more frequent, as well as the level of specification being higher.

Housing at each level of living standard was discussed in terms of size, tenure and location, with level A representing low cost rental, level B a wider range of choice within the private rental sector, level C being the level at which home ownership became possible (through a mortgage), level D included owning your property out-right and having either more bedrooms than you need, or a second property (for holidays or to rent out), while level E involved ownership of multiple homes, as well as investment properties.

In their discussions, participants described steep differences between standards of living, particularly at the top. The fifth group for instance, agreed with the suggestion of one of its members that the steepness of the Shard building was an accurate analogy to the vast inequalities and differences in living standards in London, with those below the Minimum Income Standard (MIS) at the bottom and the 'super rich' at the very top. Further, participants

agreed that there were not many Londoners who were (securely) comfortable, fewer who were wealthy and even fewer who are super rich. The absolute standard of living of the wealthy was described as very different from others, while the lifestyle of the super rich was considered to be even further removed from everyone else.

Figures 3 a and b: Differences in living standards are like ‘The Shard’



NOTES: On left (Figure 3a): Flip chart material from Focus group 5. On right (Figure 3b): Picture of ‘The Shard’ in London. Taken from: <https://www.the-shard.com/news/shard-worlds-top-10-most-beautiful-buildings/>

Level A - The Minimum Income Standard (MIS)

This level represents those living at a Minimum Income Standard – this was introduced to participants at the beginning of the focus groups and used as a kind of anchor point to enable researchers to explain the consensual method and the idea of using group deliberations on baskets of goods and services as a way of thinking about and identifying living standards. The contents of the MIS baskets have been described in detail elsewhere (most recently in Davis et al., 2018), so is outlined here for comparison.

The MIS definition, as devised with groups in the original MIS study and presented to participants in this study, states that:

A minimum standard for the UK today includes but is more than just food, clothes and shelter. It is about having what you need in order to have the opportunities and choices necessary to participate in society.

Participants were informed that a MIS includes social housing for households with children and a one bedroom flat in the private rental sector for working age singles and couples. Adults would require an android smartphone on a low-cost monthly contract, have access to freeview channels but not subscription entertainment packages and £20 per person per week for social activities. Families are able to have a meal out together as a special occasion four times a year; working age adults without children have a modest budget for eating out or a takeaway once a fortnight. All households have one week’s self-catering UK holiday per year, and in London (based on the London MIS) they rely on public transport with some additional funds for occasional taxi journeys. Their household shopping is done at Tesco, mostly Tesco’s own range for groceries and the majority of their furniture comes from Argos.

Level B - Surviving comfortably

Level B was seen as a standard of living at which there were still some financial constraints, but also a wider range of choices and greater peace of mind.

At level B groups said that people would be able to afford a wider choice of accommodation. Some participants thought that at this level a mortgage on a modest property (for example a studio flat for a single person or a small one bedroom flat for a dual income couple) might be possible for a working couple, or being able to afford a higher rent within the private rental sector.

However, Households at B could afford to pay for a cleaner once a month (if they wished to) and pay for other domestic services, such as a window cleaner. They would also be better able to cope with sudden financial shocks, and might have modest savings to help cope with emergencies or changes in circumstances, such as redundancy. People at level B would be able to eat out more frequently than those at level A - perhaps on a weekly basis - and at a slightly more expensive restaurant with main courses priced at £15-£20 (the example given was a brasserie/bistro) rather than at a high street chain, e.g. Pizza Express. As at level A, shopping would still be done at a major supermarket, but people said you would be able to spend more on a bottle of wine - £10 rather than the £5 version that would be in the MIS shopping basket.

In conversations about entertainment options, level B was thought to include wider options in home entertainment including either a Netflix or Amazon Prime subscription, and the ability to go out more frequently – for example to the cinema once a week, in addition to other social activities, and could include a low-cost gym subscription. In terms of transport, groups said that in outer London people would be able to afford a new car every 5-10 years (bought on affordable credit), while in Inner London people would still rely on public transport (as in MIS) but might use Ubers more frequently for added convenience.

Level C - The (securely) comfortable

Level C brought further choices and greater prospects of stability and security. This included home ownership (with a mortgage), which might be a three-bedroom house for households with children, or a flat in a building with a concierge for those without. Participants envisaged that at this level people would not only have savings but also investments, and might use the services of a financial advisor in order to manage their money.

In terms of consumption it meant being able to spend more on items such as clothing and accessories, so these would still be purchased from high street retailers but with the addition of some luxury goods, e.g. 'designer handbags' or, depending on what people considered desirable, hand crafted artisanal items.

Groups of parents said that those at level C would be able to afford to pay for formal childcare for younger children, either to enable parents to work full-time or just to have some time to themselves. If their children were school age their resources would be sufficient for them to buy a property within the catchment area of a 'good' state school, with the ability to afford additional tuition/coaching if necessary. Some participants pointed out that full-time private nursery fees were similar to private school fees (at least for day pupils), so families who had managed to meet that expense might opt to continue to do so. However, this was seen as a choice that might necessitate compromise in other budget areas, rather than as something that would be considered essential at this level. Children would be able to enjoy a wider range of extra-curricular activities and school trips, based on what they expressed interest in or liked to do, rather than cost (in contrast to equivalent households at the minimum where children were limited to two relatively low cost activities a week and only UK-based study trips). For older children the same resources might go towards supporting them at university.

As parents they would probably go out less frequently than their contemporaries without children but would still socialise weekly. For the (securely) comfortable, eating out might be a weekly occurrence (either with or without the children), at an independent restaurant rather than a chain. One participant described this level as ‘when you go for the meal you don’t look at the right-hand column [of the menu], you look at the left-hand column’, meaning that the choice of dish would be based on tastes and preferences rather than price. Individuals at this living standard would have at least two holidays a year; one two-week summer holiday involving a long haul flight, and one 7-10 day winter break, possibly skiing.

The household would have a comprehensive home entertainment package, including sports and film channels, and would own more top brand digital devices (e.g. iPhones, MacBooks and iPads) and replace them more frequently, possibly buying new mobile phones outright and then shopping around for competitive deals rather than paying for them over the life of a two year contract. Furniture would be purchased from retailers such as John Lewis or Marks and Spencer.

This level included greater use of domestic services, including a weekly cleaner and gardener. Household shopping could be done from a wider range of supermarkets, using a ‘mix and match’ approach, with the majority being bought at Waitrose and Marks and Spencer food halls, although people might also purchase some items from standard supermarkets, such as Tesco, selecting from the ‘Finest’ range rather than the own brand goods. Takeaways or food delivery could be ordered more frequently for convenience and to save time and effort, rather than as an occasional treat. Wine included in the weekly shop would be in the £20-£25 per bottle range.

Participants imagined that the (securely) comfortable would be able to spend more on health and well-being, including private health insurance schemes (possibly provided by an employer, linked to the idea that people living at this level were likely to be in reasonably high level professional jobs) and the ability to pay for personal services such as acupuncture and massage as required. Owning a pet was also something that participants said would be possible and/or likely at this level, as people could afford the additional expenses incurred, including insurance, routine vaccinations and pet food.

Level D - The wealthy

Living standards at levels A, B and C were predicated on the idea that people were in employment and maintaining their living standard principally through earned income. Level D tended to represent an even greater freedom of choice with fewer constraints, with groups suggesting that people at this level were more likely to work because they chose to, rather than because they were compelled to. When discussing the kinds of occupations that would be typical of people at this level they mentioned ‘top end bankers’, lawyers and people who owned their own businesses. They also thought that there would be additional income streams from a range of other sources including property rental, shares and dividends, offshore investments (compared to level C, where investments were thought more likely to be onshore) and inheritance. In order to manage their finances people were likely to have private banking and a wealth manager who would assist with a broad spectrum of services including legal matters, accounting and tax advice.

At level D groups said that people would either own a larger home with ‘more bedrooms than you need’ or more than one property. This could be a main home and a holiday home, with one on the coast or in another country (e.g. France or Spain), a pied-à-terre in London with a larger home somewhere more rural, or an additional rental property. The home and domestic chores would be managed by a housekeeper who would also arrange for household shopping to be delivered, sourced from organic or ‘high end’ retailers with food halls. Furniture would come from independent retailers, or possibly from high end department stores, e.g. Heals.

The wealthy would be able to afford an additional car, so three cars for a two-adult household. The third vehicle might be for a teenaged child, or a sports car or 'prestige' car. They would take 'at least' 5 holidays a year, at least one of which would be an annual skiing trip. For parents some of these might be taken without the children.

The children would be privately educated, although whether as day or boarding pupils was not discussed. They would have 'more expensive hobbies' such as sailing, collecting artworks or antiques and riding, and would be able to afford to own and stable a horse as well as having pedigree pets. The adults would have membership of private leisure clubs and have their own private teachers for yoga/pilates etc. rather than attending classes.

Level E - The super rich

Level E was not examined in as much detail as levels C and D, because it was useful for contextualising and differentiating between the levels below, but not the principal area of interest of this study. Level E was the domain of the super rich. As indicated above, this was the only label groups generated that was unanimously agreed on (the minimum level or 'MIS' was not contested, but was also the only one that was predefined).

People at level E would own many houses outright (without a mortgage) in several countries, to the point where they did not really go 'on holiday' per se, but chose to spend time in their homes around the world. They would own private jets, supercars and yachts and would employ a range of staff, including a chauffeur, gardener, dog walker, housekeeper, chef, butler and some kind of security service, and staff to manage their staff. This might be a retinue that travelled with the family/individuals or a set of staff in each home. The super rich were imagined to have multiple personal assistants who would have responsibility for managing various aspects of their day-to-day life, and professional services (doctors, lawyers) on a retainer so they could be summoned when necessary. One group said that people who were in the public eye might have a publicist and someone to deal with Public Relations.

Several examples of well known super rich individuals were mentioned by name by participants. These included high profile businesspeople, celebrities, entrepreneurs and inventors. Some professions were associated with this level of wealth; in particular footballers and football club owners. There was some debate about celebrities, and whether or not they belonged in this category or in level D because fame, especially gained or promoted through social media platforms, did not necessarily equate with being super rich.

Table 3: Assets, goods and services at different standards of living

Area	Level C – (Securely) Comfortable	Level D – Wealthy
Housing	Owning home (mortgage)	Owning outright + Additional property/ 'more bedrooms than you need'
Wealth /Finances	Premier bank account, financial advisor, Onshore investments, Savings	Additional income streams Private banking & wealth manager Offshore investments Significant savings
Leisure	Eating out weekly (£20-25 wine Leisure once a week, Sky Sports, Netflix, Amazon Prime More tech, higher quality Pets & insurance	Eating out weekly (£100 wine) 'more expensive hobbies' (riding, sailing, antiques), Club membership Pedigree pets & insurance + stabling
Holidays	2 holidays a year	5+ holidays a year (some without children)
Shopping	Groceries – 'mix and match' Clothing – high street+	Groceries – organic/high end delivery/ 'food halls' Clothing – not high street
Transport	New car/s 2-5 years	Additional car (fun/kids)
Health and personal care	Private healthcare Personal care (acupuncture, massage) Gym membership	Private healthcare Personal trainer
Private service (labour)	Weekly cleaner and gardener Personal assistant	Housekeeper

4.1.2 Intangible aspects of higher living standards

When asked to consider what kind of living standard each level would provide, groups discussed various attributes and characteristics of life at living standards for people with higher incomes and wealth, in addition to the assets, material goods and access to services described in the previous section. These narratives were coded and analysed thematically and are summarised here.

Freedom and choice

As people discussed the different living standards, often envisaging themselves as progressing through the different levels, freedom was a recurring theme, mentioned in a variety of contexts. Having more money generally represented having greater freedom of one kind or another, and this concept provided a useful point of comparison when people considered distinguishing features of the different levels.

Freedom from worry

Freedom of choice was interrelated with freedom from constraints, and from stress or anxiety; having the ability to choose from a range of desirable options, and to make decisions about spending without having to worry about the consequences.

Woman: Peace, you have peace of mind because you are not worrying about how to pay for something. You can have really whatever you want within reason. So it brings peacefulness.

Woman: Choice as well, you can make nice choices, so you are not just stuck down one path, you can choose to do different things.

Researcher: When you say make nice choices, what do you mean?

Woman: Like if, in my first job I had to be OK, I have to pay all my bills so it is either that or I go out. If I go out for a drink then maybe I can't spend so much on food shopping this week. But now it is like OK, I can actually go out four or five times this week, but I just have to choose between those rather than choosing between not doing them and eating. It is nice choices.

Woman: And that peace I said is really stress free. So if you are out with a group of friends you are not worried about "What if I have to buy a round", if you have money you think "I might just buy the first round and go home". So you are stress free financially.

Group 2, higher income non-parents

At the lower end of the scale there were limited choices and compromises would have to be made - for example, deciding whether to eat out more often more cheaply or less often in order to be able to afford somewhere more expensive. These choices expanded as participants described and compared what life might be like at levels B, C, D and E.

Moving from level A to level B meant slightly fewer constraints and greater peace of mind.

W: [At level B] You can pay your mortgage, you can go to the movies, you can go out to eat once a week, that's comfortable.

M: You don't panic when a letter comes through the door. You know you've got your essentials covered.

W: Yes.

Q: So essentials covered.

W: With a little extra.

Group 1, lower income non parents

'At that point [level B] you're not carefree you can't just go out for dinner and just buy lunch those are still conscious choices that you have to make. But you can start to do those nice things in life.'

Man, Group 2, higher income parents

Level C, where people are (securely) comfortable, represented a wider range of choices, but still having to think about how to prioritise and use resources.

'[Level] C to me still sounds like in some areas, in some years maybe it would still require some sort of compromise or sacrifice somewhere to get it all moving. Whereas D seems like you could do all of it without ever having to think OK well we can't do this one, we can't not do that. You can just do it. C it seems like you're going to need some sort of leeway [or] compromise which is why I'm thinking it's more 'able'.

Woman, Group 5, mixed income non-parents

Level D, being wealthy, was discussed as offering a further increase in choice, and freedom from concern about how money was spent:

M1: I think we touched on it earlier, in [level] C you can have choices but you can't have the choice in all categories. To me it's quite interesting to see, well actually within C you can choose between buying a phone outright or [furniture from] John Lewis or health insurance, whatever it is, but probably within a third of these categories and then the other two thirds you can still have a nice lifestyle but you can't go to the other end, whereas with D you can probably choose in pretty much every category how you wish to live.

Q: Interesting. So that is really not having to weigh up the pros and cons of any decision in terms of buying things or doing things.

M1: You can walk in anywhere and buy something and then walk out, no problem, whereas at C you've got to budget yourself. You've got to look at your income and look at what you're spending and you've got to think, whereas at D you can do anything you want really.

M2: I'm not sure about completely anything you want but.

M1: Not completely whatever you want but to a certain extent.

M3: You have more flexibility and you don't have to think about it.

M1: Yes, absolutely. I think with C it's the same deliberations as with B but just for a higher standard of living. But still I imagine for C you're still looking and thinking, wait I want to do this so I'm not going to do this but you're still getting a far higher standard of living.

M2: In C you know what you're spending and your income and it kind of gives you a rough idea, whereas in D you probably wouldn't and you'd probably just do it anyway. You'd just go out and spend.

Group 6, mixed income parents

Hence, someone's freedom and choices were discussed as increasing with the different standards of living, with the ultimate freedom being enjoyed by the super rich:

'[Being at level] E gives you a completely different freedom where because money is no object at that point.'

Woman, Group 5, mixed income non-parents

Freedom and choice over time

Another factor that intersected with choice and freedom was the concept of time. Groups talked about how people at the higher levels of living standards had more choice about how they spent their time. When talking about lower levels of living standards people included being able to afford to pay for domestic services to free up time. This provision began at level B with a monthly cleaner, increased to a weekly cleaner at level C, a housekeeper at level D and a full complement of staff at level E. However, there was a possibility at the lower levels that increasing one's expenditure in this way might be indicative of a vicious circle, in that the domestic help might be needed because people worked long hours, but they would need to work long hours in order to afford pay for that level of assistance.

Having freedom of choice about how much work one did (if any at all) was very clearly identified as possible for the wealthy and super rich (levels D and E). If people at level E chose to work, it would be through choice, because 'they enjoy working and what they do'.

Choice: Space and Geography

Discussions on freedom of choice also had a spatial and geographical dimension. Higher levels of living standards were linked to greater ability for physical and geographic mobility, and to having more freedom in terms of space, transport and travel, in participants' discussions. This included conversations about where people lived – those with greater resources could afford greater choice about the size and location of their home. For example, parents at level C would be able to afford to move into the catchment area of a well performing state school to meet the educational needs of their children. Those at level D and E were seen as global citizens, with homes in more than one country, and the super rich being able to buy not just land, but whole islands and the ability to travel into space. Similarly, one of the differentiating factors between levels C and D were that the former would have national, onshore investments, whereas the latter would have international investment concerns.

Conversely, those with less resources were thought to be disadvantaged and effectively excluded from being able to live in London altogether because of a lack of affordable housing, which was seen as exacerbated by the super rich. Specifically, the super rich, often discussed as non-UK based foreign nationals, were said to be buying housing as an asset and allowing it to remain empty (referred to by one participant as 'buy to leave' properties).

Transport and travel options were also greater for the better off, with people's ability to afford to travel and means of transport changing depending on which level of living standard they were situated at. For those at a minimum (level A) households without children would make most of their journeys by public transport. Groups said that at more prosperous levels car ownership would be the norm, increasing to more cars per household at level D and supercars, chauffeurs, yachts and private jets at level E, increasing the opportunities and convenience of travel.

The number, duration and location of holidays also increased with higher living standards, ranging from UK holidays by coach or rail for those at level A (MIS) to regular trips abroad at levels B (surviving comfortably) and C (the securely comfortable). The wealthy (level D) would be able to charter flights and the super rich (level E) would travel by private jet.

Security

Security, discussed as a key intangible aspect of higher standards of living, came up in two senses; 1) financial security, related to freedom from worry, and 2) physical safety and security, related to choice over living spaces as well as gated communities and security concerns for the wealthy and super rich.

Financial security

Financial security was a recurrent theme in discussions relating to ideas of being 'comfortable' or 'flourishing'. There was an awareness of the precarity of people's employment and housing situations, particularly at the lower levels. People at level A were agreed to have enough to just about make ends meet but not to have any protection against sudden shocks or changes in circumstances, whereas at level B participants said there would be enough money for essentials each month and a small amount left over. Savings and investments entered the picture for those at level C, but even this would not provide an adequate safety net for long in the event of loss of income through ill health or job loss. This awareness led to conversations about financial products and services to protect people, including redundancy insurance and even insurance against the care costs for older generations. People living at levels D and E were viewed as being far less vulnerable.

'[At level] D I think people are definitely secure. They don't worry about tomorrow because tomorrow is sorted out with the money. C are quite secure but they still have to think about retirement and things like that.'

Man, Group 6, mixed income parents

Housing security in the form of home ownership also pertained to those in levels C and above, although those at level C would be repaying a mortgage and therefore be less secure than those at levels D and E who would be able to buy their homes outright, and own additional properties for renting out as a source of income.

Personal security

The theme of security arose in different contexts. While financial security was seen as a positive consequence of being at a higher level, groups agreed that being ostensibly wealthy could make one more vulnerable, so could be considered negative for one's personal, physical security. This perspective is striking considering that a lack of personal security has been identified as a key negative side-effect highlighted by people with experience of poverty (Reis, 2005). Participants discussed that the wealthy or super rich could be less physically secure:

'Well conversely people who live in wealthy areas are a lot less safe because that's where you go if you're going to be a mugger, they pay for security and that to drive round the likes of Hampstead.'

Man, Group 1, lower income non-parents

W: You don't know who to trust.

M: I think we've got very, very wealthy farmers who drive around in an old, clapped out Beetle so they're not targeted.

Q: In what sense targeted?

W: It could be anything.

M: Held to ransom for whatever.

W: There's an estate agent who is a millionaire in my area and he has moved down my road because he said he had a big, detached house and a Bentley and the Bentley kept getting scratched and the house kept getting broken into, so he's just living in a normal road in a normal place and he's quite happy because he feels safer.

Group 2, higher income non-parents

Power and influence

In all groups, participants talked about how those on higher living standards enjoy more power and (political) influence. These discussions related mainly to super rich, who were said to be able to influence others beyond their circle, and to a lesser extent the wealthy. The (securely) comfortable were hardly ever mentioned as enjoying disproportionate influence and power.

W: At first, I was thinking it's great because they're spending more money on the economy and everything else, but I guess once people get into the really, really rich category, it's because what they do can actually affect me, so they could buy a company or they could shut the company down. They have power and they have power over you. When they get into the super rich category they could do something that could affect you. Whereas when you're comfortable, and even getting into well-off I suppose, it's still within your own circle.

Group 2, higher income non-parents

In addition to economic power, which was said to allow the very rich to 'make decisions about chopping down a rain forest', participants in some groups also mentioned a more subtle form of power: the power to put others with less money down by alluding to their status superiority. By displaying their wealth, they can 'shove it in your face' saying 'look what I can buy'.

Another theme was that the wealthy, and in particular the super rich, were discussed as having the power to avoid the scrutiny, or the spirit, of the law. In particular, groups mentioned the possibility for them to move their money to offshore accounts and avoid tax. This was said to be very different for those with less economic resources who were described as relatively powerless and with no choice but to pay their taxes. Further, the super rich were also mentioned as being able to get away with criminal behaviour. For instance, they were said to have the power 'to be naughty' and destroy things (such as a restaurant), engage in corruption, 'dodgy dealings' and get away with conflicts of interest; for instance combining business and government.

The super rich were said to have more influence, 'whether you like it or not'. At the same time, whenever this proposition was put forward by participants, others were quick to point out that influence came along with more responsibility. Here, it is important to point out that groups discussed how the super rich (and the wealthy) can influence their surroundings and other people, both in a positive and a negative way. Money was said to 'make things happen'. It allowed you to help others; be more generous to family, friends, and donate to charitable or philanthropic causes. However, the super rich were also said to be able to engage in nepotism, and to be able to buy cultural capital in the form of degrees from Oxbridge or Russell Group Universities, which goes against liberal ideals of meritocratic achievement.

W: Don't the super rich have the wealth and the influence to buy everything? They can probably buy their way into a very good public school one way or another, which will in turn enable them to get a place at a Russell Group, or Oxbridge with relatively little effort.

M: Yes. And they've got no problem paying full fee for their kids, either in the UK or overseas.

W: Money is not an issue.

Group 4, higher income parents

The wealthy and the super rich were also said to have more political influence than others. They were said to be able to make donations to political parties, which in turn were discussed as paying more attention to the needs of these advantaged groups.

W: [...] thinking about the inequality, people who have more do have more influence and they are listened to and regarded more by say governments or institutions than people with lower incomes[...] we can actually see how that works when we look at how budgets are done. That budgets are targeted towards people who have more to keep them happier.

[...]

M: Super rich money brings extra democratic voice.

Group 3, lower income parents

Finally, economic advantaged groups were also discussed as being able to exert influence over their own and others' space, related to their ability to exert 'choice over space and geography' discussed above. For instance, the comfortable and the wealthy were said to be able to buy property and benefit from good local schools and rental income, and the super rich were described as able to engage in 'social engineering' and regenerating areas 'in their vision' while a majority of people struggle with the unaffordability of housing in the capital. In one group these processes and the power of the rich were discussed as a reason for why less economically advantaged groups are 'pushed out' of London.

Health (including private health) and well-being

Participants drew links between health and financial resources in several different ways. At level B groups said that people would be able to access private health insurance schemes to help them to cover part of the costs of a limited range of services such as private dentistry. At level C groups said that people would be likely to be working in the kinds of jobs where private health care was part of the remuneration package, but would still use some NHS services. At level D people thought that individuals would have private doctors who would visit patients in their homes on request, whereas those at level E would either travel with their own medical staff or transport them to wherever they were, possibly by private jet. The ability to access healthcare on demand, rather than having to wait for appointments via the NHS, was seen as a major advantage for those who were in the higher levels. Conversely, those at the lower levels were seen to be disadvantaged, with low incomes linked to poorer levels of nutrition because of not being able to afford to eat more healthily and shorter life expectancy. They would also be unable to pursue the kind of 'self care' activities associated with promoting well-being (a wider range of exercise options, gym membership or having a personal trainer) and alternative therapies (for example, acupuncture) that people living at the higher levels could access.

Benefits and harms to individuals with higher living standards

Most of these intangible factors, freedom and choice, security as well as power and influence, (and health) were discussed as increasing with greater financial resources. Notable exceptions to this pattern were personal safety and security, (although risks could be mediated through paid-for security measures) and individuals' happiness. A common theme was that having wealth did not necessarily mean that life was unproblematic; money could not buy happiness, although some asserted that it could help.

- M: I think also you can get to the higher level and realise it's not actually what you want because you know it comes with a lot of responsibilities a lot of stress and everything you know. You may even get to that point where you're thinking it's not a life for me I don't want to have all this tension, not tension I don't now what the word is. But this pressure sorry, especially if you're famous as well you've got the constant limelight on you a lot of people crack under that and don't like it. They try and stay away from it, try and calm it down, not calm their life down but make it less hectic and everything. Because you know I can imagine being at that level, that riches can be very stressful, very stressful and it could be quite, I don't know what the word is. I wouldn't say depressing but I don't know, it depends on what sort of person you are I guess. Some people can be very rich and lonely.
- W: Yes that's the point I was making earlier just because they've got all the money doesn't mean they've got the happiness.
- M: They haven't got everything they want necessarily.
- W: There's a certain amount of suicides in category E because they've got everything but they haven't got children, they haven't experienced that family, you know, or maybe find the love of their life because every woman wants their money so they haven't experienced it genuinely. It all leads to stress so it's not all good.
- M: Money doesn't buy you happiness but it does help you get there. Having money does not make you happy... [but] it can make you happier.'

Group 6, Mixed income parents and non-parents

It was suggested that having a great deal of money could lead to high levels of stress, discontent and a lack of appreciation of what one had, which in turn led some to turn to drugs or other risky behaviours in order to alleviate the boredom caused by life being too easy. Problems might also be experienced by other family members, with one participant hypothesising that money could not protect one's children from mental health problems.

Individuals and families living at higher standards of living, were hence described as benefiting from increased intangible benefits: freedom and choice (from worry, over your time and your space), financial security and better health, in addition to having more in their basket of assets, goods and services (as discussed in the section on different living standards). However, personal harms associated with higher living standards included that one's personal security could be infringed, stress might be increased, and happiness might be compromised (though generally, those on higher living standards were discussed as being able to live longer and healthier lives). Power and influence over others was not only discussed as a benefit for the influential individual, but was also a theme which touched on potential benefits and harms to society overall; a theme which will be addressed further in the upcoming sections.

4.2 Normative discussions of 'riches'

This section focuses on groups' value judgements about riches and the deservingness of wealth, building on the discussion of how groups described riches. Normative evaluations, which included judgements of higher living standards, specifically those of the wealthy and super rich, as morally good or bad were common in the focus groups. These occurred spontaneously while groups were describing different levels of living standards as well as in response to being asked, in the second part of the focus groups, about the effect on society of some people having high living standards.

Two themes were important for how those with higher living standards and wealth were judged: the sources of their income and wealth, and their behaviour. These themes will be discussed in turn. Participants focused their moral judgement on those with highest standards of living: the wealthy and super rich. The focus on their behaviour and the origins of their wealth was at the expense of any distributive concerns one might have. It mattered profoundly for participants whether people's wealth resulted from their own hard work. Meritocracy was therefore an important theme. While wealth resulting from luck or inheritance was not seen as equally deserved to wealth resulting from entrepreneurship or earnings, there was no consensus on whether the former was problematic. Further, the behaviours of the wealthy and super rich were also important for how they were judged, because they may benefit or harm others and society. Specifically, they were said to provide inspiration, jobs, philanthropy and to pay, or to avoid, a lot of taxes. Hence generally, their behaviours were discussed as aligned with benevolence and were commended, often with reference to famous rich individuals, such as JK Rowling, Oprah Winfrey, although critical views were also expressed.

4.2.1 Sources of income and wealth

The role of effort and meritocracy

When discussing the deservingness of high income and wealth, and the acceptability (or otherwise) of inequality in terms of the disparity between the resources of the rich minority and the less affluent majority, participants' opinions were strongly influenced by considerations of the origins of people's wealth. Those who were thought to have achieved their status and financial position through hard work were deemed to be deserving of it; 'the rich, they've worked for it and they've earned it'. This narrative is in line with the discourse in Hecht's (2017) interviews with top income earners where 'hard work' was a key explanation of why some people have very high incomes. It could be argued that groups evaluated wealth against their ideal of meritocracy; if wealth were deemed to be the result of effort it was deserved. In Michael Young's ([1958] 1994) dystopian vision of meritocracy, intelligence plus effort equals merit [$I + E = M$]. Hence, groups focused on one part of the equation of 'meritocracy': hard work (or effort).

The 'hard work' of the wealthy and super rich was often related to their imagined upward journey. Some participants assumed that those who had 'climbed a ladder' and 'lived through that same struggle [as themselves]' feel a sense of gratitude and gratefulness for their money. By comparison, those deemed not to have had to work hard were viewed less favourably. People who were seen as having generated their wealth through creativity and innovation were also commended, in contrast with those who had acquired their fortune through accident of birth or sheer luck.

M: That's my point about this nuancing, whether [the wealth] was earned because they invented something and good come from it, that feels very different to the person who has landed wealth.

W: I think it really depends on how you got it. So if you earned that money I personally don't have a problem with it. Unless you stepped on everyone to get up there. But if you've done something that has helped someone or if you've been entrepreneurial and made really good decisions then yes I think you do. I guess I have a bigger issue with people, I don't have an issue but people like that who win the Lottery whatever that doesn't seem natural.

M: They don't spend it very wisely.

W: Or people that are born into it.

M: Yes inherited wealth.

W: In my opinion I feel like they hoard money I doubt they give an awful lot to charity because they want to keep it going all the way through so they don't have to work and then they go onto the next one. So I think for me I don't have an issue with people that have earned it. I have more of an issue with people that haven't.

Group 2, higher income non-parents

Hence, the wealthy or super rich who were considered to have been socially mobile were described as more deserving because they had worked hard for their money and many of the famous people mentioned were cited as exemplars of this, including Oprah Winfrey, JK Rowling and Lord Alan Sugar. However, despite meritocratic discourses about the super rich, there was also awareness of the barriers to social mobility, and the lack of opportunity for those with low incomes or from disadvantaged backgrounds, compared to the super rich who were thought to have unlimited opportunity. One mother explained:

I think [...] that inequality is from birth so if my parents are super rich that child compared with my child they're going to have private tutors, they go to the best universities. They don't even need to be smart. My child needs to be smart to do well, they just need to be there, opportunities the parents know someone, just a network they don't need to do anything in life. They know unless something really bad does happen that it's going to pass line to line. It's very hard unless it's a new rich [person] but then from there that money they came from is going to pass to the next generation, it's influence.

Woman, Group 3, lower income parents

Achieving upward social mobility was further seen as more difficult due to the introduction of university tuition fees (currently £9,000 per year in England and Wales). Increasing housing costs, particularly in London were also identified as a barrier to mobility. These barriers were seen as applying to many people, but not to the wealthy or super rich.

Despite a lot of discussions about the importance of merit and upward social mobility, moving up from one level to another was not viewed as an entirely positive experience. This is in line with research which highlights the negative impact of mobility on the mobile individual themselves (Friedman, 2014). Though there is also research that shows that long-range upwardly mobile people tend to fare better than those who are immobile in the working class (Chan, 2018). Nevertheless, participants imagined that a socially mobile individual would feel like (or be treated as) an outsider, and there would be a risk of becoming estranged from friends and family who remained at a lower living standard. Anecdotal evidence was given of a well-known high net worth individual who allegedly felt himself to be excluded from the upper echelons of society because he came from a different background. However, this was disputed by another participant who mentioned that this exclusion is not necessarily the case.

The role of luck: lottery winners and silver spooners

People's normative evaluations of individuals whose wealth was seen as not based on merit because it had not been acquired through personal effort, were mixed. On the one hand participants saw being able to provide for future generations as desirable and entirely appropriate as a 'reward' for one's hard work, and on the other hand frowned on those who had inherited money and saw them as less deserving (particularly if they were perceived as not working hard). However, participants also highlighted that those who had gained wealth through inheritance ('silver spooners' or 'people that are born with it') had not done so deliberately. In this interpretation, silver spooners were not to blame for their lack of appreciation of their good fortune, instead it was considered to be the fault of the parents 'who spoil them'. In this respect, Bill Gates was mentioned positively as someone who 'doesn't give

his kids any luxuries whatever, [so they learn that] you have to work for your things'. Without this influence, those 'who've always lived with a huge amount of money' might lack empathy – the idea that 'they do not respect... somebody on less income or less disposable income' was not uncommon. Lottery winners on the other hand were seen as simply lucky, but people were more likely to view them negatively, as 'not knowing how to deal with their money', rather than perceiving them more likely to be appreciative than those who had always had money.

4.2.2 Behaviours of the wealthy and super rich

When participants evaluated wealth and riches (considering positive and negative aspects), they discussed not only how wealth was acquired but also what the rich did with their wealth. The groups deliberated whether the rich may provide inspiration to others, create jobs, make charitable and philanthropic donations, or engage in tax avoidance schemes. In any case, how the rich behaved, and what they did with their money, was discussed as important for how we assess wealth and riches.

Aspiration and inspiration

There were nuanced discussions in groups about the role of the rich in inspiring 'aspiration'. As Littler (2013) argues, David Cameron aimed to turn the United Kingdom into an 'aspiration' nation, where aspiring to do better is a moral imperative. Indeed, groups discussed the idea that it was 'natural' for people to 'aspire to be better and richer'. For example, one participant argued that 'humans are designed to want more' and that '99.9% of the population generally want to get to that next stage' (even 'those on the Sunday Times Rich list'). This links to other discussions about the importance of competition and keeping up with your peers or 'the Joneses'. Aspiration may therefore have been discussed as linked with people's socio-economic situation. However, in group 2, participants seemed to agree on the idea that 'everyone is aspiring to get something that's reachable or 'achievable'. One participant argued that people aspire to be comfortable, suggested as something that most people can imagine, but could not imagine what it would be like to be 'excessively' rich, which was discussed as unachievable apart from a lottery win. According to this view 'People talk about 'I want to be a millionaire', they don't talk about want[ing] to be a billionaire'. Nevertheless, aspiration was generally described as positive, with some particularly well known individuals identified by several groups as epitomising this quality:

I love Richard Branson, again as an example, because you see how he got there and that can be really inspirational.

Woman, Group 2, higher income non-parents

As previously described, participants often put themselves in the shoes of the wealthy (and the super-rich) and imagined themselves as making the 'journey' of moving up the different standards of living which were discussed during the group.

You would say 'oh, they're an inspiration' because you've seen the journey that they've made and you see that you might actually become that one day.

Woman, Group 3, lower income parents

However, while some people thought that the existence of the rich inspired aspiration and saw this as a positive influence, others said that this could instead be negative if the aspiration were unlikely to be achievable:

Q1: [...] what effect does it have on society that we have some people who are super rich?

W: It's positive or negative whether they contribute or take away and stuff like that.

M: There's positive for me because it's making people aspirational.

Q1: So you think super rich is positive because they provide aspiration for others?

W: Yes.

W: We just talked about this in the break and said that it's negative for kids because it's giving them an aspiration that the chances are they will never achieve.

Q1: Unachievable aspiration.

W: Leads to dissatisfaction.

Group 4, higher income parents

In the same group, a participant outlined why the example provided by the super rich is unachievable. Talking about Bill Gates, he explained 'Yes it's aspirational but it's negative because only a small number of people can actually achieve that'. Others agreed that unrealisable or unrealised aspiration is a negative effect of some people being wealthy or super rich, arguing that it makes people feel 'mentally' 'very let down' and might lead to 'resentment'. One participant highlighted that unachievable aspiration is 'bad for society because people stop wanting to do good, normal jobs like going into nursing or teaching or something' suggesting that there are negative consequences if people think 'I'm not going to get a Ferrari that way'. The theme of resentment was common across all groups (bar group 5) and will be discussed further in section 4.3.

The rich as employers: 'job creation' and trickle down

Discussing the effects of the wealthy and the super rich on society gave rise to lively exchanges in the groups. Participants debated for instance whether the rich causing resentment should be weighed against their potential to become employers and create jobs. The following extract is illustrative of the nature of these discussions:

R: So what effect do you think some people having this level of income has on society?

W: Resentment, jealousy.

W: Increasing taxes.

M: They become employers though.

W: I like the twist here (laughs).

M: Employing staff that's a good thing.

M: Some of them can become examples, like if they're a businessperson or, for example, they've worked hard at a profession.

Group 2, higher income, non-parents

While some participants discussed inequality in the UK as negative, when prompted to talk about effects of the wealthy and super rich on society, others challenged this, arguing that the rich are 'creating jobs':

M: [...] So I think the gaps [between those 'who are doing very very well' and 'a lot of people who are just getting by'] are becoming bigger.

M: To be me [levels] B and C create opportunities for [level] A, that workforce, the aspiration...

W: The aspiration.

M: ... they are creating the opportunity for [level] A's to move into the next category, by employing these people, employing these people that need the jobs, creating the jobs.

M: Especially new industries, new industries because the older industries are slowing down.

M: Possibly the super rich are creating the opportunities for [levels] B and C.

Group 4, higher income parents

Later on in the same group a participant suggested that the super rich have the wealth and influence to 'buy their way' into better educational opportunities with relatively little 'effort'. This was countered by a participant who argued:

[...] that affects the wealth filtering down though, doesn't it? If you go to the private school then there are teachers working in the private school and there's staff working at the private schools and there's people that take the children to the private schools. So they're all earning from it.

Man, Group 4 higher income parents

Nevertheless, the 'trickle down effect' did not go uncontested, and some participants debated whether or not the 'trickle down effect' even worked:

M: Well it's the amount of wealth that the very few control and the way that everybody looks at it and thinks about society. Then there's an assumption from the wealthiest, there's a trickle down from everybody else. But I don't think that that actually happens.

W: I agree.

M: Not in the way that most people kind of think. So in a way that lends to a more impoverished [level] A whilst the super rich get richer. I don't think there's enough trickle down to fully function.

Group 5, mixed income, non parents

Therefore, while some participants suggested that the 'trickle down' effect does not exist, others argued that it does, and that it is a positive consequence of having rich individuals in a country. In response to the question of whether there is a point where wealth becomes excessive, one participant argued that how that wealth is used and shared affects how we evaluate it:

I suppose it depends on if you think that the way that wealth is created in capitalistic London is overall beneficial to society? So you will get those people who succeed in getting ridiculous wealth and you think it's a bit disgusting that they own so much. But through creating that wealth they also dragged up a lot of other people so is it OK to let them have that wealth? You know is this the best system we've got for dragging everyone up out of poverty and with its imperfections?

Man, Group 1, lower income non-parents

How participants evaluated the deservingness of the rich was influenced by whether their wealth was perceived to have been used for the benefit of others, for instance through 'job creation' and the 'trickle down' effect.

Charity, philanthropy and 'deserving' wealth

As discussed, participants sometimes linked higher living standards to a greater ability to be generous and charitable in their descriptions of different high standards of living. Often, when asked about the effects of inequality on society, participants used criteria relating to philanthropy or 'giving back' to assess the pros and cons of some people being extremely wealthy.

It also depends on the individual that's super rich because you get some that really put back into society quietly or lead by example. If you're brash and show everybody you don't value anything that's really negative. But if you're somebody who is saying no actually I want to make this a positive so I'm going to put into the community, I'm going to put my money where my mouth is.

Woman, Group 4, higher income parents

The ones that have and do are very good and it's really good of them but there's a lot that don't.

Man, Group 2, higher income non-parents

Some participants were cautious about judging of the behaviour of the rich, saying that taking charitable work into account made this more complex:

[...] I think when you get up to that sort of [super rich] level I think it's really hard to make a comment on it because I don't know how they live, I don't know what they do. Like maybe they do tax evasion but then they put it in a charity. You don't know, it's very hard.

Woman, Group 2, higher income non-parents

The author JK Rowling was mentioned repeatedly, as an example of a philanthropist. Participants discussed media reports that she gives money to charity in order not to be a billionaire. Her philanthropic efforts were seen as being linked to her background and her experience of upward social mobility (as discussed hard work and merit were important considerations in how people evaluated wealth):

I think she still appreciates it because she remembers [being] in the café when she was unemployed and writing books.

Man, Group 2, higher income non-parents

Oprah Winfrey and Bill Gates were discussed in a similar way.

W: Yes, someone like Oprah Winfrey has done it all her life and she worked hard, she didn't inherit the wealth she actually worked hard for the wealth. And she's done so much and she's still doing so much for the world.

Q: So is it OK to have that kind of money if you do good things with it and share it out?

W: Absolutely.

W: I think so.

Q: So it's OK to be super rich if you give a certain amount of it away?

W: If you're a blessing yes.

M: Bill Gates prays every single day about what to do with his so-called surplus income.

W: Whether it's a prayer though or just a huge sense of gratitude I think that's quite equal in a way. You still carry out the same action do you know what I mean?

Group 1, lower income non-parents

While there was much talk about philanthropic behaviour being desirable, there were also comments that it is 'hard to enforce a moral compass' on the super rich. Though philanthropy was generally evaluated as positive, there were also critical voices. One participant questioned the idea of philanthropic behaviour of the rich as intrinsically beneficial:

M: All the nouveau riche people they all look very similar, the Jeff Bezos the, Zuckerbergs they're all the same kind of people. I'm not saying they don't deserve to be successful but the way they conduct themselves is very similar. They say something but they don't say a lot. They want to help, but they want to send stuff to space.

G: [Laughter in whole group]

M: It doesn't add up.

Group 3, lower income parents

Paying or avoiding tax

Whether rich people were seen to pay a disproportionate amount of tax or as able to avoid tax, was important for normative evaluations of wealth. While the rich were applauded for paying a lot of tax by some participants, a decidedly negative effect of some people being wealthy or super rich for others was that they were seen as able to avoid, or even evade, tax. While tax avoidance is a questionable practice, it is not illegal, as opposed to tax evasion which is an illegal practice (Baumberg Geiger et al., 2017).

Following a discussion that included critical views about the 'trickle down' effect, a group discussed the possibility that the rich might be avoiding paying their taxes:

W: I agree, because when I think 'super rich' the first thing that comes to my head is so they probably evade tax and pay people to prevent themselves paying so much: bills and stuff like that. So they're putting less in in some respects. So they still pay a lot but they also have the means to avoid paying. Whereas if you're on the lower end of things there's no way you can pay people to find ways for you not to pay [taxes].

W: You've got to pay a wealth manager to do that.

W: Exactly.

Group 6, mixed income parents

Another group similarly accused the rich of avoiding tax.

W: An interesting point about the high taxes is that then that doesn't affect the super rich because they just put their money somewhere else. It just squeezes probably [level] C's and [level]D's. Mainly [level] C's.

M: Because the super rich have got the wealth managers.

W: Actually C's as we've already established are the ones that you really want in your society so if you crush them.

M: You don't want to squeeze the D's either if you put the taxes up.

W: They've got their financial advisors.

M: D's have already got the tax efficient schemes going as well.

W: So you don't get the money from the people you really want it from. You get it from the people that can't really afford it [Level C]. Because if you add that on top of what they've got there they can't have that anymore. So they become [level] B's.

Group 4, higher income parents

In other discussions, groups were similarly arguing that not only the super rich, but also those at Level D avoid tax:

M: Someone mentioned David Cameron having offshore accounts, they're all involved, aren't they? Who's the other one with blond hair?

M: Boris.

M: His father has invested money in the Cayman Islands funnily enough. I wouldn't say they're super rich but they're in that wealthy category and they have offshore accounts.

Q: They're in D?

M: And they're managing their money very carefully around tax evasion.

Group 5, Mixed income non-parents

Nevertheless, tax avoidance and even tax evasion was sometimes presented as having to be balanced with the 'good' these individuals do with their philanthropic efforts. Specifically, there was also a discussion that even though the wealthy, or the super rich, might avoid tax, they nevertheless make a positive contribution. For instance, one participant observed:

W: I think [levels] C and D could be contributing a lot to the country through taxation, even if they were avoiding some tax they're still going to be spending a lot of money and they could potentially have charitable, altruistic interests and be engaging with the local communities

Group 5, mixed income non-parents

The idea that the tax avoidance of the rich should be offset against other, more altruistic behaviour may help to explain findings of previous research showing that more people believe that (social security) 'benefit manipulation', is wrong, than believe that tax avoidance is wrong, even though both involve the exploitation of legal loopholes (Baumberg Geiger et al., 2017).

4.3 Threshold: is there a normative riches line?

This section reflects on whether it was possible to establish a consensus in the groups on a line above which living standards could be considered 'too high' or excessive; i.e. whether groups agreed on a normative riches line. Previously, we have addressed not only how groups described different living standards, including the (securely) comfortable, the wealthy and super rich at the top, but also how groups evaluate or morally judge wealth and the fact that some people live at very high living standards. Many of the latter discussions emerged spontaneously while groups were describing different levels of living standards, others emerged as groups' responses to moderators' questions about the effects on society of some people being wealthy or super rich. This section will focus specifically on whether any negative effects raised by participants provided grounds for consensus on a normative riches line (a line above which riches can be judged as either 'too much', harmful, bad or morally wrong). Drawing on relevant literature, the research team identified five possible perspectives that might make people inclined to draw a normative riches line.

These were:

- 1) diminishing returns; is there a point beyond which there are no observable benefits to having additional income or wealth?
 - 2) social injustice; is it acceptable for some people to have great wealth in a world where some people's basic needs are unfilled?
 - 3) social cohesion; does economic inequality cause or contribute to social divides?
 - 4) democratic/social harms; does wealth confer unfair advantage in that the rich are able to exercise disproportional power and political influence?
- and
- 5) ecological considerations; given that research shows that higher consumption levels and carbon emissions are linked to higher incomes, should environmental concerns be addressed through fiscal policy?

Participants' views, and whether there was consensus on any of these questions, will be discussed in turn.

4.3.1 Is there a line above which riches are excessive or ‘too much’?

While some participants said that there was not a point where a living standard was too high and that there is nothing wrong with some people being wealthy, others expressed reservations, particularly about the existence and behaviour of the super rich. One participant argued that the resources of the super rich are excessive:

‘If we can be securely comfortable [Level C] and then we have the aspirational [Level D] which is sort of like yes if we were there that would be great because then we could you know maybe help other people. Have an extra child, do all of that kind of stuff you know. I think the super rich [level] in my opinion is excessive because it’s not necessary, we would all survive pretty fine being either securely comfortable or aspirationally comfortable.’

Woman, group 3, lower income parents

However, this point of view was highly contested. Some participants argued that people should be able to aspire to and become super rich as a way of fulfilling their potential:

M: I think you have to have the super rich category because if you’re an ambitious person you want to go from the minimum to the maximum. If that’s in your personality, in your character.

Q: So you think there should be scope?

M: There has to be goals in life.

W: You should have the scope.

Group 3, lower income parents

Value judgements about what constituted ‘excess’ or ‘too much’ were also not straightforward because such things were often agreed to be context dependent, and also subjective. One participant said that winning a million pounds in the lottery would be excessive to *her*. Others stated that they could not imagine what life would be like when you are ‘excessively rich’. While participants were able to explain what excess was for them *personally*, they found it more difficult to make this value judgement for others. An argument was that for someone used to having vast economic resources, what might be perceived as unimaginable for others would seem commonplace. While making this point, participants would sometimes imagine themselves in the shoes of the rich people they were evaluating.

‘Because I imagine if you’re the Queen who owns like a lot of land and stuff you’ve always known that lifestyle. So it would be quite hard for you to know that’s excessive.’

Woman, group 2, higher income non parents

Being able to empathise with the rich in this way might explain participants’ reluctance to condemn extreme wealth (and strongly contrasts with people’s reluctance to identify with the poor, as previous research by Shildrick and MacDonald (2013) has shown). Finally, ‘excessive’ was sometimes discussed in terms of ostentatious consumption and ownership, with examples of a celebrity ordering expensive champagne and other overt displays of wealth.

I don't know, I think it's excessive if you have a collection of 20 or 30 cars and you only drive one and they're just on show. That's excessive, do you know what I mean? Many people might have two or three cars, because you might have one that's just for you and your partner and then you've got the family car and whatever. That is luxury but it's not necessarily excessive. If you have tennis courts and everything in your back garden that might be excessive.

Woman, Group 5, mixed income non-parents

In these accounts, 'excess' was about salient accumulation and consumption, i.e. the behaviour of the wealthy or super rich, instead of them owning a disproportional amount of resources. Previous research by Sherman (2016, p. 29) had a similar finding. Her wealthy participants distinguished between 'good' and 'bad' rich people based on their affect and behaviour ("being nice, working hard, consuming reasonably, "giving back"), thereby legitimising inequality and preventing concerns about the unequal distribution of economic resources. While some of our participants argued for some forms of wealth or consumption being 'too much' or 'excessive', there was no consensus on this matter.

4.3.2 Is there a line where riches are too much due to diminishing returns?

While some participants said that someone's quality of life was not significantly improved by reaching beyond Level C as a living standard, many suggested that there were still significant perceptible benefits from improving your standard of living from Level C to D, and even further improvement from moving from Level D to E, not just for the individual but also for others around them.

'If you were going to compare [level] C and [level] D in terms of home extensions say [at level] C you might build like an annex on the end of your house for your parents to move into. Whereas [at level] D you might buy them a house next door potentially that's what I'm thinking.

Woman, Group 5, Mixed income non-parents

Additional benefits of moving from Level C to D discussed by groups were that the extra money at Level D meant that you could enhance the quality of life of others, that you could be more generous (to charitable causes, family, neighbours, friends) and that you could afford to realise your dreams and aspirations.

W: 'when you go to aspirational comfortable [Level D] you may be able to retire early so you may be able to spend more time with your grandchildren. Or spend more time with any of your family members or your friends. It may not be material things that you're gaining but it could be more a sense of happiness in other ways.'

Woman, Group 3, lower income parents

As discussed in section 4.1.2., one would also have fewer worries and more options, more time available and perhaps be happier. Further, one would also be more financially secure. The move from Level C to D was described as a 'big jump', whereby your quality of life would improve and you would have a level of certainty provided by your financial situation:

'When I think of securely comfortable [Level C] is that you're comfortable but you're still worried about slipping back. But when you're like aspirational [Level D] you're living a nice [life].'

Woman, Group 3, lower income parents

A move from Level D to Level E was discussed as still noticeably improving one's quality of life, although opinions varied on to what extent that would be the case, with one participant describing the difference as relatively subtle:

'I'd say it's like going from a Mercedes to a Ferrari I know that sounds silly. But a Mercedes is still a really nice car; you're really happy, it's great. A Ferrari is a really nice car and it's great but it's just little a bit more special.'

Woman, Group 4, higher income parents

Therefore, if the argument for diminishing returns was accepted by participants, if at all, it was at Level E. Some participants saw level D as providing enough to have 'an excellent lifestyle', making level E 'excessive'.

W: D is enough really to have an excellent lifestyle. There's no need for E, if there's a way around it then yes.

Q: Even though earlier you said that they'd earned it.

W: Yes they've earned it but D that's enough.

Q: D is earning enough and then beyond that you shouldn't be able to earn more than D?

W: Yes just that [it's just] excess.

Group 6, mixed income parents

Q: So the question is then if that is the case at what point does that line comes in, where it stops making meaningful difference, where the change is of a different nature? It's not like it is down at the bottom where that five or ten thousand makes a difference.

W: Once you've got everything you need.

Q: But where is that? Where is that point?

W: I actually think the super rich.

W: I think it's at D.

W: Wealthy to super rich.

M: I think there's probably a line in between super rich and D.

W: At D you've got everything you need.

Group 4, higher income parents

Therefore, while some participants argued that a living standard at Level D (wealthy) was enough, and that life at Level E (the super rich) was excessive, there was no consensus on the utilitarian argument that there are diminishing returns from higher living standards. This is the case because in moving to Level D, participants saw important benefits such as having greater control over one's time, financial security and being able to help others which require a high level of additional resources. They valued the idea of a life without worry, which some thought would only be possible at or above Level D, even though this is a standard of living available only to a minority of the population of London and the UK.

Level D included owning your property outright, either with more bedrooms than you need or with additional property, private health care and private schooling for your children as well as multiple cars and holidays and expensive hobbies. A potential reason for why participants may have perceived lower standards of living as not enough to confer security is that there was a lot of anxiety among participants which included concerns about the affordability of housing, secure employment, the quality of the NHS and the availability of adequate social care in old age for themselves and their parents.

4.3.3 Are riches unfair (social justice concerns)?

There were many narratives in which riches, or the gap between the rich and poor, were discussed as socially unjust and undesirable, though distributive justice was only a minor theme (compare with Sherman, 2017). In general, participants raised concern over rising inequality. Poverty in London was perceived as getting worse over time, with examples being given of visible inequality and rising homelessness.

A key theme in the discussion of social justice and wealth concerned the housing market in London. There were discussions relating to the diminishing likelihood of younger people being able to afford to own their homes, especially compared to older generations who bought property when it was much less expensive. In discussions about a perceived lack of access to affordable housing, participants also talked about 'gentrification' of some areas and increasing inequality whereby wealthier individuals were able to live in the capital, while others (those at Levels A and B) could not afford to do so and were being 'pushed outside of London'. Other themes included the power of the super rich to engage in social engineering by developing whole areas 'in [their] vision', and the ability of the wealthy and super rich, often described as foreign nationals, to purchase new property in London, off-plan and unseen, and to leave these homes empty.

However, not everyone was concerned by inequality, or felt that if it were something to be addressed, focusing on the rich was not necessarily the right approach.

M1: So I feel OK with that inequality if I'm honest.

Q: Right.

M1: You know initially it feels wrong that it is getting bigger and you'd want to understand why and it's concerning if the bottom is moving further downwards because that isn't a good sign of society.

M2: The divide is getting bigger.

M1: I think that's a separate issue about how you deal with the bottom.

Group 2, higher income non-parents

While talk about fairness featured prominently, specific discussions of the distribution of income and wealth were not common, apart from discussions about the distribution of rewards within organisations, for instance top executives' pay compared to that of a worker in the same company. In a rare case of talking about distribution in society, a participant argued:

'Coming back to the lifestyle I don't think it is fair; what's the classic stuff that always gets rolled out? Ten per cent of the world's population owns 90% of the world's wealth. Well that means you've got 90% of the population living with only the remaining 10% between them. If you've got so many people living below the poverty line then no, I don't think it's fair.'

Man, Group 1, lower income non-parents

However, this view of distribution as a zero-sum game at any point in time was not shared by everyone in the group. As mentioned previously, there were discussions of the idea that evaluations of riches depend on whether wealth 'created' by the super rich is 'overall beneficial to society'.

Further, as discussed in section 4.2.2., the behaviour of the rich was an important factor in assessments of deservingness (rather than the share of wealth which they owned). Specifically, participants argued that it mattered whether the rich person in question has worked hard:

'Morally it's a difficult one. If they've worked hard all their lives and they've got their money legitimately then they're entitled to it.'

Man, Group 5, mixed income non-parents

Further, people were reluctant to normatively evaluate the wealth of the rich, and to judge their wealth as being too much or unfair.

It's a difficult question because I don't have too much, I can't say it's too much for the rich, they've worked for it and they've earned it. It might not be fair in the scheme of things but they've worked for it.

Woman, Group 6, mixed income parents

Levels of remuneration were questioned when it came to some professions; specifically those working in (relatively modestly rewarded) public services were seen as more deserving than (highly paid) sports people (most notably footballers):

My view is a third of footballers get paid seven figures to kick around a ball when doctors and policemen and fire-fighters are out saving lives and are probably somewhere in between your [level] Bs and your [level] Cs in some case. Is it too much for the [level] Es to have that? Yes it is.

Man, Group 6, mixed income parents

While it was definitely a concern for some participants, there was no consensus that social justice considerations should lead to agreement on a normative riches line. Evaluations of the origins of people's wealth, and the behaviour of the rich (in particular their hard work) discussed in section 4.2, were more common considerations in participants' narratives.

4.3.4 Are riches threatening social cohesion?

Separation and disconnection

Groups often discussed a 'gap', 'disconnect' or 'separation in society' as a negative consequence of some people being wealthy or super rich. This could take the form of a kind of social exclusion where certain places were not accessible to all.

It creates a lot of feeling of separation sometimes...[...] Just the separation in society, I don't know, there are certain shops, restaurants or something that you only go to when you're at the aspirational level [Level D].

Woman, Group 3, lower income parents

The disconnect between those at the top and those at the bottom in society was also talked about as occurring within organisations.

I think you get to the board level, sorry most of them are super rich. You know you get these chairmen [agreement that it was often men] that are earning a couple of hundred thousand and a million, the bonuses are the same. They've got no connect[ion] with the business down here where a bonus of £1,000 to these people or £20,000 or whatever [still matters]. You will get these sorts of people in a FTSE company basically and they're so disconnected, the top level to the bottom level it's unbelievable.

Woman, Group 5, higher income parents

Lack of understanding and compassion

This separation was linked to the rich having a perceived lack of understanding of and compassion for those at lower levels, and even being keen to avoid 'the contamination of the poor' (in particular by groups 1 and 3 (lower income non-parents and parents). Those who were used to having a 'huge amount of money' were said to be unable to empathise with others. In contrast, those who were self-made rather than having inherited their position were thought to be more likely to be positively influenced by remembering their humble roots and to have more understanding for those with less.

M: that might apply to somebody who is in that sort of bracket [levels D and E], they do not respect or are aware of having an appreciation for somebody on less income or less disposable income.

W: Doesn't that depend on whether he or she has inherited the income? I know people who have started a business from scratch. Today they definitely are super rich, but they will not forget, they won't forget where they came from.'

Group 1, lower income non-parents

Dissatisfaction and resentment (unachievable aspiration)

As well as having negative effects on how the rich empathise with others, there was a suggestion that making unfavourable comparisons between their own life and those of the rich could cause negative effects on the self-esteem and mental health of people who are 'looking up'.

I don't think [being] super rich is excessive in itself. But I only think it becomes excessive when it impacts you mentally or it affects others in a bad way I think that's when it becomes too much.

Man, Group 3, lower income parents

W: Mentally people can feel very let down.

W: Yes.

W: Because they see something and they want it and they think they can get it and then when it hits them that they can't that's actually a very negative emotion for them.

W: A rejection.

Group 4, higher income parents

An interesting distinction was made between those who could be considered 'comfortable' and those whose resources went beyond this level:

There's a resentment of the stinking rich whereas there's a respect for the comfortable. Because the stinking rich have got beyond their need, there's a certain level where you really don't need any more but they've got far beyond that. So people resent that.

Woman, Group 2, higher income non parents

While the super rich were described as generally separated from society, social media was said to allow others, who previously would not have known about the lives of the very wealthy, to get a glimpse of their world, with similarly detrimental effects in terms of causing resentment and potential harm to mental health.

I think one of the main things is people living in the lower [levels] that down there – [levels] A and B - things like social media, stuff like that. When you're looking at people that are kind of in the [level] D and E category that are being able to afford things, go on holiday, buy the brand new clothes, the brand new iPhone, whatever you want to say. It is kind of, I wouldn't say it's depressing, well it is depressing in some respects because you're kind of looking at something that you're not quite at and you maybe necessarily can't have. And they're the big factor of depression as well in this day and age you know?

Man, Group 6, mixed income parents

A related, minor theme was that the display of wealth (for instance 'nice phones and handbags') was seen as leading to crime by those who are unable to afford these consumer items.

Overall though, participants discussed that the wealthy and particularly the super rich could have negative effects on society in the form of societal separation. Specifically, they might lack understanding and compassion for others, and their wealth could cause dissatisfaction and resentment in those who aspired to be rich. Nevertheless, despite broad agreement on this issue, groups did not conclude that it is unacceptable to be rich beyond a certain point.

4.3.5 Are riches threatening democracy (due to disproportional political influence)?

While the rich were criticised for having more power (and political influence), they were also considered to have more responsibility and in some cases were commended for leading by example with their philanthropic efforts.

Or you have the likes of Bill Gates who can afford to put a lot of money in researching a disease or whatever he chooses. Then the flipside of that is because we're talking about negatives is responsibility. The responsibility to use your wealth for good, people will criticise you if you're not using your wealth to help other people.

Man, group 1, lower income non-parents

As discussed, groups agreed that influence increased with wealth. There was a consensus that more money meant more power, and that the (super) rich could 'just be naughty' or were able to get away with criminal behaviour (unlike everyone else). Participants in one group talked about a sort of 'criminalisation about the super rich' related to Russian Oligarchs (Schimpfoss, 2018), who were said to be welcomed to the UK 'because they bring the money in' and in another group, participants discussed a recent news story regarding a company chief executive who had been imprisoned for financial misconduct. As described previously, a key criminal behaviour related to the super rich discussed in groups was tax evasion, argued to be facilitated by donations to political parties:

M: Also people at [the Level] E end can increase their wealth, they can use offshore accounts, political means to maintain their status.

W: People at the lower end still have to pay their taxes and their rent themselves. They don't have the means of evading tax.

M: The higher, the further you go taxes should be more for example. I mean if you're talking politically as well I think there is a way that you can legally stop that and saying that contributions towards political parties should be capped at X amount. Because that is one where it pretty much weighs in.

Group 5, mixed income non-parents

However, while the political influence (and related possibility to avoid or evade taxes) of the wealthy, and particularly the super rich, was discussed as an issue, often groups were resigned, stating that there is not much that can be done about it and that there are 'different rules' for the (super) rich.

M: No I don't see how you can do that in a capitalistic society, I don't understand. You're going to make rules for people that influence the rules to tell them 'you can't do that'?

G: (Laughter).

Group 3, lower income parents

In sum, while the political influence of the rich was acknowledged as a problem, these discussions did not contribute to consensus on a threshold above which riches were problematic.

4.3.6 Are riches concerning due to ecological considerations?

The team wanted to find out if environmental and sustainability considerations might play a part in participants' deliberations. Research shows links between per capita consumption-based emissions and income, at both a household and national level (Gough, 2017). Unlike the other themes arising from the data reported here, concern about the carbon footprint of the richest did not tend to be an issue that arose spontaneously from group discussion. Earlier groups were asked to reflect on the positive and negative consequences of there being a (small) number of wealthy or super rich people on individuals, society and in a global context. We expected that this would stimulate ideas on global warming, carbon footprints and other environmental issues among groups, but generally when thinking about global effects participants were more likely to talk about power and influence, and the ability of the rich and super rich to live as 'global citizens'. Later groups were asked more generally, and in a more open-ended style, about the effects of some people being wealthy or super rich on society.

In order to inform the discussions, and to be able to analyse discussions about concerns about riches for ecological reasons, participants were told about research findings which demonstrate that carbon consumption increases with income. This factual statement was accepted by most, and for a few participants their disapproval was compounded by perceptions of hypocritical behaviour, in that some super rich people invest in 'green' technologies but through their higher levels of consumption are responsible for contributing to the problems they are trying to solve. However, others were not convinced by the information provided and countered by saying that the rich were a) a tiny minority (and therefore probably didn't have a significant impact compared to a far larger number of less affluent people), and b) were more likely either to own and use newer cars and yachts fuelled by the latest eco-friendly technologies, and/or were able to invest in technological developments to mediate environmental damage. In this interpretation, the behaviour of the rich was more likely to have a beneficial effect.

For instance, the ability to engage with environmental issues and adopt more sustainable behaviours was seen as something more likely to be the preserve of those at higher living standards.

[Those at level] A can't afford to care about it. Where the [level] B's and C's, the C's and D's are probably more aware of it, and the super rich should be encouraged to do it.

Man, Group 4, higher income parents

In addition to whether the carbon footprint of the rich was an issue at all, there was a debate about what, if anything, can be done about it. On the one hand groups expressed a sense of resignation and indifference: explaining that it was not possible to cap the (super) rich or force a change in behaviour; e.g. because they would probably evade paying fines/taxes, have their carbon offshore, or, as discussed above, because it is not possible to influence the rule makers. On the other hand, groups saw it as possible, and some participants thought it was desirable, for governments to do more, for instance to exact some kind of financial compensation from the rich e.g. schemes to offset carbon emissions with tree planting. While there was some concern about the fact that those with higher living standards produce a higher carbon footprint, there was no consensus or general appetite for 'capping' anyone's income to curtail these carbon emissions nor for establishing a normative riches line for ecological reasons.

5. Discussion: Establishing consensus on a ‘riches line’

5.1 A descriptive but not a normative riches line

This project found that consensual agreement about different standards of living, including the (securely) comfortable, wealthy and super rich at the upper levels, is possible (as detailed in section 4.1). Interestingly, references to the ‘rich’ were less common. Though these standards of living were evaluated differently by participants (e.g. is Level C or Level D fully flourishing?), we did find consensus among the groups about describing high standards of living (acknowledging that there was debate and some disagreement). As our findings provide evidence that groups can reach consensus about describing the living standards of ‘the wealthy’ and ‘the super rich’ we argue that there is scope for building consensus on a ‘*descriptive riches line*’.

Rather than constituting a strict line however, above which people can definitely be considered ‘rich’, this ‘descriptive riches line’ is better thought about as broad levels of high living standards, i.e. of being ‘wealthy’ or ‘super rich’. The descriptive riches line can therefore be seen as the difference between (securely) comfortable (level C) and wealthy (level D), whereby the wealthy are seen as ‘rich’.

While we found that it was possible for groups to reach consensus on what riches look like (levels D and E), there was no consensus on whether or at what point this is problematic, i.e. a line where it is ‘too much’ in the Robeynsian sense. Therefore, there was consensus on a descriptive riches line but no consensus on a *normative riches line*. While there was much discussion about the negative societal effects of the super rich (and to a lesser extent of the wealthy), participants also expressed empathy for those with high levels of income and wealth, and there was no agreement on a threshold above which their income or wealth could be considered too much. Participants often highlighted that there were competing positive and negative aspects involved when evaluating and making value-based judgements of high levels of wealth. Moreover, the sources of wealth and behaviours of the wealthy were considered as relevant as the *level* of wealth. Positive aspects included those discussed in the intangible descriptors of the higher standards of living (including riches as facilitating freedom, security and power as well as the ability to help others), and ideas of the rich as hard workers, job creators and philanthropists who provide inspiration for others and pay (but may also avoid/evade) a lot of tax. Therefore, there was no consensus in the groups on whether riches become problematic above a certain point, either due to 1) diminishing returns, 2) because inequality/riches are socially unjust, 3) the political influence of the rich, 4) riches as a threat to social cohesion or 5) the ecological costs of very high consumption.

The levels of living standard above which anyone could really be ‘secure’ from sudden financial shocks was very high (level D, or sometimes level C). Reasons why participants agreed that one would need such vast economic resources in order to be (securely) comfortable or wealthy (and therefore really secure) in London, may include individual anxiety and experiences or fear of precarity. Indeed, the UK has high levels of poverty, the highest in Western Europe⁴, and has seen severe social security cuts for working age households since 2010⁵ (Taylor-Gooby, 2017). The precarity of current times and the lack of an adequate safety net provided by the welfare state (Padley et al., 2019) might legitimise seeking extra security through extreme wealth accumulation in order to relieve anxieties (Sherman, 2017a). Participants discussed financial worries relating to job security, zero-hours contracts, credit card debt as well as concerns about the quality of schools, and the NHS (the costs of social care, long

⁴ 23.5 per cent of the population in 2015 according to the 60 per cent of median equivalized income measure

⁵ This was achieved by ‘freezing rates, withdrawing benefits for some groups, introducing restrictions on child and housing benefits and reforming disability benefits with the intention of saving a third of projected expenditure’ (Taylor-Gooby, 2017, p. 823, citing Hills (2015)).

NHS waiting lists). Housing insecurity was another source of concern, particularly in London, due to significant increases in house prices and rents over time.

Where work and wealth were concerned groups appeared to be able to accept apparently contradictory narratives in which those with high net worth could afford not to work, but deserved their wealth because they worked hard for it. In discussions of inequality, people often used the narrative of hard work and/or being 'self-made' as justifications for the gap between rich and poor to remain. This was also discussed by Kantola and Kuusela (2018) and Sherman (2017) who drew out this contradiction in the narratives of their respondents; wealthy entrepreneurs and wealthy New Yorkers respectively. In our study this might be explained by groups appearing to view this as hard work in the past that had led to a justifiably affluent present and future.

5.2 Policy implications and next steps

While this project did not specifically ask participants about implications for policy, when navigating questions about certain living standards being 'too much' or 'excessive', participants sometimes mentioned aspects of public policy. These views sometimes shed light on their responses to people being rich, but no one type of policy approach attracted general support. One person proposed that they liked 'the idea of multiples' (e.g. that a top executive cannot earn more than 10 or 50 times the lowest paid member of staff), while others argued that regulation such as this would mean that talented people move outside the UK in order to be paid 'what the big bosses think they're worth'. Some supported redistribution of resources via the taxation system, while others opposed taxing the rich more heavily because they believed richer people either deserved their wealth (having 'worked hard' for it, or 'invented something') or might be doing good with their money, through philanthropic works or job creation, and therefore shouldn't be punished by having to pay more.

Two overall tentative findings emerging from this research have particular pertinence for public policy.

The first is that there is not clear-cut public opposition to people consuming or having an income above a particular level that could be seen as supporting the case for more progressive taxation of incomes above a certain threshold or for capping gross earnings. People agree about factors that distinguish the living standards of those with progressively higher incomes, but view these largely positively, imagining how they themselves would enjoy higher levels of comfort, security and freedom if they were to obtain those living standards, rather than negatively in terms of ways in which higher living standards may be damaging to society.

The second finding is that although participants expressed critical narratives about higher living standards, such as their effects on social cohesion and political equality, or their lack of deservingness, these are not easily mapped onto *levels* of consumption or income. To some extent, they are linked to the large wealth (not specifically income) of the super-rich. But they are also distinguished by characterisations of how people came by their riches, what they do with them, and how they behave towards others, not specifically linked to exactly how much they have acquired. Therefore public concerns about riches are not readily pinned down to a quantitative threshold.

Such perspectives demonstrate how the identification of normative public attitudes towards people being rich could have limited potential to frame debates about the levels and rates of progressive income tax bands, for at least three reasons: because the higher-rate income levels under discussion are a long way from the levels identified with being wealthy in our groups; because the political debates focus on income rather than income-and-wealth; and because they focus on levels rather than sources and uses of financial resources.

In relation to levels, as referred to earlier, John McDonnell's 2017 suggestion was framed in terms of whether, for example, people with incomes above £80,000 should be paying a higher marginal tax rate than they do now. While the levels described in this research have not been linked to precise incomes, it is very clear that someone in London who is 'wealthy' as described by 'level D' in table 3 (owning their home outright 'with more bedrooms than

you need' or additional property, able to afford private education and healthcare, a housekeeper and at least five holidays a year) is likely to require income greatly exceeding this amount. It was generally only at or above Level D that any negative aspects of being rich were expressed.

Further, debates about top tax rates crucially do not take into account the importance of wealth. The groups recognised that for the 'wealthy' individuals at Level D and more particularly for the 'super-rich' people above them, income and day-to-day consumption become less important relative to assets and how they are used. So future research in this field and associated formulation of public policy should move to considering income and wealth jointly, rather than as two separate issues.

And finally, the strong emphasis in our groups' discussions about the way in which higher levels of living brought greater influence over others (for good or ill), and the perceived link between the uses to which wealth is put and the extent to which it is deserved or morally acceptable, points towards the potential for developing what we might call 'constructive' rather than 'extractive' redistribution. The findings of this report do not suggest widespread support for 'extractive' redistribution, framed in terms of penalising the excesses of the rich. However, it also identifies a strong perception that richer people have a lot of influence over others, for good or for ill, and an interest in the uses to which their riches are put. In this context, it points towards the potential for developing what we might call 'constructive' redistribution, based on wealthy people's greater capacity to contribute and their responsibilities towards others – their 'broader shoulders'. Policies that target those perceived as not living up to this responsibility, such as targeting tax avoiders, and rewarding those exercising social responsibility, would accord with this approach.

In terms of follow-up research that would be useful, one possibility would be to try to quantify what resources are required to reach the different levels identified by this project. The Minimum Income Standard research has been powerful in producing numbers that say what you need to earn in order to have an acceptable standard of living. Might examples of the spending required to reach higher living standards be useful at the opposite end of the scale?

Such a quantification would in fact be far harder than quantifying the minimum. It is relatively straightforward, for example, to identify what kind of food basket constitutes an adequate diet, and even to cost the kind of holiday identified as the minimum that someone requires. Saying what items in such categories represent the threshold of a 'wealthy' life is more difficult. This is partly because people make many different choices about how to spend discretionary income. More fundamentally, their day to day spending decisions may be set in the context of very different life situations, such as levels of housing assets. A young Londoner who takes five holidays a year and lives in a shared house may consider their living standard in very different terms from someone who owns a comfortable house. Thus any attempt to quantify the levels our research has begun to identify would have to take into account ownership of assets as well as regular consumption, and trade-offs between the two, and this makes it a significantly more challenging task.

An alternative approach to quantifying higher standards of living would be to attempt to match markers of particular types of consumption from the descriptions provided by our groups to existing consumption survey data, and infer the approximate band of household incomes to which they correspond. However, this approach might be constrained by small sample sizes and lack of detail in consumption survey data.

A promising direction for follow up research of a different kind would be closer examination of attitudes towards wealth rather than income, and any implications for policy measures. The present research confirms previous evidence that these attitudes are themselves hard to interpret. There is widespread support for the right to acquire assets through one's efforts and to pass them on to one's children, yet more critical attitudes towards those who inherit wealth without having to work for it. There is also greater toleration for people to hold wealth if they are perceived as using it in a productive or socially responsible manner. A closer examination of these attitudes could hold clues to whether certain kinds of wealth tax might be more politically acceptable than others.

6. Conclusion

This research report presents analysis on ways in which members of the public think about a fully flourishing life and about what it means to have a high standard of living (in the words of our participants: what it means to be wealthy or super rich). It assessed the potential for negotiating a single consensual view among people from different backgrounds of what it means to be rich and whether or not a 'riches line' could be defined using this method. The Minimum Income Standards (MIS) methodology involves iterative stages of deliberative focus groups discussing what is needed for particular levels of living standards. In the MIS research the level under discussion is a socially acceptable minimum, whereas in this study the levels of living standards under investigation were significantly higher.

The project has:

- Contributed to the development of methods by applying a MIS-style approach to discussion of living standards higher than MIS. We have established that this is feasible, and that the narratives and perspectives of higher and lower income groups, and parents and non-parents, on these issues are sufficiently compatible that they can be discussed in mixed groups. We also developed methods for exploring in a neutral way the value judgements people make about riches, developing prompts for both potential social benefits and harms.
- Outlined a descriptive consensus about higher levels of living. Although labels are difficult, the levels are fairly clearly defined. Groups were divided on whether level C ('securely comfortable') or level D ('wealthy') would correspond most closely to the idea of a living standard that enabled people to fully flourish. For those who identified C as this level, level D represented the closest approximation of 'riches' – though described by the groups with terms like 'affluent' and 'luxury' rather than rich.
- Established that in order for people to be in those categories (levels C or D), they would need to have very high income and wealth relative to the great majority of the population. This is a pilot project, conducted only in London, so we cannot be sure that these results would be replicated elsewhere.
- Revealed that people's perceptions of higher standards of living reach beyond considerations of consumption or material comfort, into the less tangible dimensions of security and control/freedom. All three dimensions depend not only on income but also on assets. Understanding this multidimensionality is crucial for developing policies that work with the grain of the aspirations and perceptions of members of the general public.
- Indicated that the origins of wealth (earned or unearned), the extent to which it is used for wider benefit, and the manner in which the wealthy behave towards others play an important role in the value judgements the public make about wealth and the wealthy.
- Shown that despite some critical commentary about the effects of riches on social cohesion, political equality, and, when prompted, ecological sustainability, our focus groups suggest that there is no appetite for defining a threshold above which riches are problematic. This seems to be partly because people identify with the wealthy as their imagined (or aspirational) future selves, partly because they regard the status quo as inevitable, and partly because people are simultaneously aware of potential benefits to society as well as harms. These narratives and the underlying reasoning would merit further investigation.

- Suggested that debates about tax and redistribution should focus as much on wealth as on income, be sensitive to different sources and uses of wealth, and be framed in terms of the positive contributions the wealthy are in a position to make rather than their excessive consumption (constructive rather than extractive redistribution).

Further research is needed to understand these narratives and perspectives more fully, but the project has mapped some fertile ground for future exploration and debate.

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Appendix

In 2017, the Centre for Research in Social Policy carried out a calculation to approximate the UK level of the ‘affluence line’ suggested by Medeiros (2006). This is defined as an earnings threshold set at a level such that if all income above this level were redistributed it would be exactly possible to bring everyone in the population above a minimum income threshold. The calculation set this threshold as the Minimum Income Standard. The calculation, carried out by Laura Valadez and Donald Hirsch for background purposes, and not hitherto published, is not intended in any way to suggest that such redistribution would be desirable or feasible in practice, but simply to quantify the amount of income held by the richest earners in comparison to the amount that is lacking by the poorest households. Note that a simplification is to consider the aggregate earnings above the line at an individual level, but the effect of redistributing this amount in relation to low income *households*.

This is based on Minimum Income Standard thresholds, the household income distribution as reported in the Family Resources Survey (2015/16 data); and HMRC data on income earned and retained by high earners. It proceeded in the following steps:

- Calculation of the number of households below MIS, and the average shortfall that they face. This analysis estimated that 7,755,000 households fall an average of £6360 a year short of MIS.
- Multiplying these together implies that a total of about £49 billion would be needed to get all these families exactly to the MIS threshold.
- Investigation to establish above what earnings aggregate income net of tax paid currently is around £49 billion. This was estimated using HMRC tables showing how many taxpayers are in different earnings bands, their total income and how much they currently pay in tax. The following equations represents the principles behind this estimate:

A. Total retained income at present of everyone above the affluence line, calculated as:

Aggregate earnings of everyone earning above the “affluence line”
minus
Aggregate income tax presently paid by everyone above the “affluence line”

B. Total retained income of everyone above the affluence line if nobody retained more than someone on this line, calculated as:

How much tax someone on the line would be liable for
times
Number of people earning above the affluence line.

C. Aggregate income that could be redistributed if nobody had more than someone on the affluence line = A minus B

Summary tax and income data were used to test different ‘affluence lines’ to establish which produced a figure for C closest to £49 billion. Due to the fact that the data used is reported in wide income bands, only a small number of affluence lines could be tested. However, by coincidence, one of these lines, produced a result of £48 billion, very close to the £49 billion needed to bring everyone to the MIS level. Also by coincidence the level of this line was £150,000, which is the start of the top rate of income tax in the United Kingdom.

The calculation at the £150,000 threshold is set out in this table:

Income range	A. Number of taxpayers (000s)	B. Income (£m)	C. Tax liability (£m)	D. Retained income (£m) =B-C	E. Retained income of someone on £150,000	F. Retained income if richer people only kept the amount retained by those earning £150,000 (£m) = A x E	G. Surplus of actual retained income compared with if nobody kept more than those earning £150,000 (£m) = D-F
150-200k	151	25,700	8,640	17,060	90,176	13,617	3,443
200-500k	160	46,400	17,300	29,100	90,176	14,428	14,672
500k-1m	30	20,700	8,140	12,560	90,176	2,705	9,855
1-2m	11	14,600	5,780	8,820	90,176	992	7,828
2m+	4	20,600	8,100	12,500	90,176	361	12,139
						Total	47,937

In summary, this result shows that if everyone earning above £150,000 became no better off than if they earned exactly £150,000, enough income could be redistributed to bring everyone to the Minimum Income Standard. While 100% tax rates are not feasible and the amount of income generated may not be independent of how income is distributed, it does show that any move to address low income through a more progressive tax system and redistribution would have to take *something* additional from everyone earning above £150,000. Starting a higher tax rate at a level somewhere above £150,000 would by definition not raise enough to solve the problem.



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