

The Rich Get Richer—So Let's Reform Inheritance

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The law of God exacts that there should be neither excessive wealth nor, excessive poverty.
– Abdu'l-Baha, *Star of the West*, Volume 9, p. 706.

We've all heard the old saying: The rich get richer, and the poor get poorer.

Lately many prominent economists have actually paid much more attention to the proven reality behind this truism, concluding that the ongoing accumulation of capital by the very wealthy, especially as it is transferred from one generation to the next, tends to create a greater and greater gap between the rich and the poor:

When the rate of return on capital significantly exceeds the growth rate of the economy (as it did through much of history until the nineteenth century and as is likely to be the case again in the twenty-first century), then it logically follows that inherited wealth grows faster than output and income. – Thomas Piketty, *Capital in the Twenty-First Century*, p. 1.

In other words: when we concentrate inherited wealth in the hands of one small upper economic class of people—which has definitely happened in today's world of the super-rich—and the return on that wealthy capital remains high, the wealth becomes self-perpetuating. The rich get richer—much richer—and we end up with a society dominated by those who inherit their wealth and use it to influence the course of history.

What's wrong with that? If you're wealthy, chances are you inherited much of your capital; and just having that inherited wealth serves as a disincentive to work productively. But more importantly, concentrating wealth in the hands of a few, according to the Baha'i teachings, can produce a monopoly on wealth controlled by a limited number of people, which then creates a fundamental inequality in society:

One of the abstruse problems of social philosophy is the prevention of monopoly and wealth control by certain individuals. This subject has been discussed by the philosophers

of the world for many years. The wise men of Europe and America, especially the Socialists, in endeavouring to solve this abstruse problem, have entered into minute discussion and deep analyses. The governments of Europe and America have given the subject exhaustive attention; nevertheless they have not yet agreed upon any opinion and have not reached a consensus of remedy for the solution of this seemingly insurmountable question.

But if a soul should ponder and reflect upon the Divine institution concerning the question of heritage and the modus operandi of the distribution of legacies among heirs according to the laws of this Dispensation, he will see that this all-important problem has been solved in the simplest manner...

Inasmuch as the matter of death among mankind is an unavoidable event, if the distribution of the estate left by those who ascend to God should be effected according to this Divine recommendation, it will be impossible for wealth to be accumulated by the few or for any particular family to exercise a monopoly, leaving others deprived and afflicted by poverty and want. For the Mighty Lawgiver has dealt with this important affair in this manner: He has divided the heirs of the deceased into seven classes, including teachers, who are the spiritual fathers of enlightened individuals in the world of humanity... When the people of insight reflect upon that which has been recorded they will see that with this command in operation, wealth will never be monopolized by a limited few and no individual through sheer forceful skill will come into possession of another's wealth. Wealth will always be in circulation among all. All mankind will inherit from one another and all will be benefited by this capital. ...

Now, in regard to the question of features distinguishing this Great Cause from other laws and religions of the people of the world in all centuries and ages: If fair-minded and intelligent men of knowledge should ponder and reflect upon the judicious laws of the Lord of mankind, they will no doubt bear witness to the perfection of Divine Providence in the laws thus instituted. For instance, these three firm and irrefutable ordinances, namely, first: the question of heritage by which monopoly of wealth will be removed and the question of socialism solved; second: the question of universal peace and international agreements regarding disarmament and conserving expenditure now devoted to implements of war; third: the question of all being commanded to acquire a profession, art or trade whereby they may earn a living, thus lightening the burden of expense to those upon whom it falls... – Abdu'l-Baha, *Star of the West*, Volume 4, pp. 283-284.

Rather than heavily taxing inheritances, the Baha'i policy recommends effectively splitting the entire estate of the person who has passed on among a large group of people: children, spouse, fathers and mothers, brothers and sisters, and finally teachers. This spreads the wealth and makes the ongoing concentration of riches in the hands of a few much less likely. A wider, voluntary distribution among many gives opportunities to those who never had them before; helps fairly and equitably distribute and break up large concentrations of inherited wealth; honors, recognizes and rewards the important contributions of the teaching profession with a unique new mechanism, and also suggests allocating a share of the total inheritance to a general storehouse of funds for the poor, the orphaned and the widowed. In this way, the Baha'i teachings clear a pathway to a much more balanced and equitable future society:

The time will come in the near future when humanity will become so much more sensitive than at present that the man of great wealth will not enjoy his luxury, in comparison with the deplorable poverty about him. He will be forced, for his own happiness, to expend his wealth to procure better conditions for the community in which he lives. – Abdu'l-Baha, *Star of the West*, Volume 5, pp. 4-5.