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Massachusetts Billionaires Got \$18.4 Billion Richer Over First 10 Months of Pandemic, Their Collective Wealth Jumping By 36%

Gains of 20 Richest Residents Could Cover State's \$3.6 Billion Budget Shortfall 5 Times Over & Still Leave Billionaires Richer Than They Were Before COVID

CITY/STATE—The collective wealth of Massachusetts's 20 billionaires jumped by \$18.4 billion, or 36%, between mid-March of last year and Jan. 29 of this year, according to a new report by Americans for Tax Fairness (ATF), Health Care for America Now (HCAN) and **state group**. The \$18.4 billion in pandemic profits of the state's richest residents could cover the state's 2021 [budget shortfall of \\$3.6 billion](#) five times over and still leave them wealthier than they were when the pandemic hit 10 months ago.

Between March 18—the rough start date of the pandemic shutdown, when most [federal](#) and [state](#) economic restrictions were put in place—and Jan. 29, the total net worth of Massachusetts billionaires rose from \$51.5 billion to \$79.2 billion, based on [this analysis of Forbes data](#), and also shown in the table below.¹ (The increase in total billionaire wealth from March to January was \$27.7 billion, but is adjusted to \$18.4 billion because three billionaires were new to the list in January 2021.)

The private gain of Massachusetts billionaires contrasts sharply with the health and economic struggles that average residents of Massachusetts are facing because of the pandemic. Over those same tough 10 months, some 533,921 [state residents fell ill](#) with the coronavirus, 14,784 died from it and 1,832,931 [lost jobs](#) in the accompanying recession. The state will be forced to take \$1.7 billion from its “rainy day” fund and make other savings to close the budget's revenue gap.

While federal lawmakers debate more cash payments to people and families in the next relief package, the state's 20 billionaires have amassed enough new wealth during the pandemic, a \$18.4 billion leap, to send every one of the [state's 6,892,503 residents](#) a relief check of roughly \$2,667 each. A family of four would get \$10,670.

Nationwide over the same 10-month period, the total wealth of the nation's [661 billionaires leaped by \\$1.2 trillion](#), or 40%—more than the \$900 billion federal pandemic relief package enacted in Congress in December. At \$4.1 trillion, the total wealth of America's 661 billionaires is two-thirds higher than the [\\$2.4 trillion in total wealth](#) held by the bottom half of the population, [165 million Americans](#).

¹ March 18 was also the date that Forbes picked to measure billionaire wealth for the 2020 edition of its annual billionaires report, which provided a baseline that ATF and IPS compare periodically with real-time data from the Forbes website. [Politifact has favorably reviewed](#) this methodology.

MASSACHUSETTS BILLIONAIRES WEALTH GROWTH MARCH 18, 2020 TO JANUARY 29, 2021						
Name	Mar. 18, 2020 Net Worth (Millions)	Jan. 29, 2021 Real Time Worth (Millions)	Wealth Growth in 10 Months (Millions)	% Growth in 10 Months	Primary Income Source	Industry
TOTAL	\$51,500	\$79,204	\$18,387 *	35.7%		
Abigail Johnson	\$10,800	\$14,975	\$4,175	38.7%	money management	Finance & Investments
Edward Johnson III	\$5,400	\$7,358	\$1,958	36.3%	money management	Finance & Investments
Jim Davis	\$4,700	\$6,920	\$2,220	47.2%	New Balance	Manufacturing
Robert Kraft	\$6,900	\$6,646	(\$254)	-3.7%	New England Patriots	Sports
Alan Trefler	\$2,500	\$5,228	\$2,728	109.1%	software	Technology
Amos Hostetter, Jr.	\$3,500	\$3,602	\$102	2.9%	cable television	Media & Entertainment
Edward Johnson IV	\$2,400	\$3,477	\$1,077	44.9%	money management	Finance & Investments
Niraj Shah	N/A	\$3,423	N/A	N/A	online retail	Technology
Elizabeth Johnson	\$2,400	\$3,410	\$1,010	42.1%	money management	Finance & Investments
Steve Conine	N/A	\$3,408	N/A	N/A	online retail	Technology
Valentin Gapontsev	\$1,600	\$2,912	\$1,312	82.0%	lasers	Manufacturing
Jim Koch	\$1,300	\$2,843	\$1,543	118.7%	beer	Food & Beverage
Timothy Springer	N/A	\$2,486	N/A	N/A	biotech	Healthcare
Phillip T. (Terry) Ragon	\$1,700	\$2,213	\$513	30.2%	health IT	Technology
Frank Laukien	\$1,300	\$2,089	\$789	60.7%	scientific equipment	Manufacturing
Bill Alfond	\$1,400	\$1,890	\$490	35.0%	shoes	Fashion & Retail
Ted Alfond	\$1,400	\$1,890	\$490	35.0%	shoes	Fashion & Retail
Herb Chambers	\$1,600	\$1,795	\$195	12.2%	car dealerships	Automotive
Seth Klarman	\$1,500	\$1,500	\$0	0.0%	investments	Finance & Investments
Paul Fireman	\$1,100	\$1,141	\$41	3.7%	Reebok	Fashion & Retail

* The increase in total billionaire wealth from March to January was \$27.7 billion, but is adjusted to \$18.4 billion because three billionaires were new to the list in January 2021.

Sources: All data is from Forbes and [available here](#).

March 18, 2020, data is from the Forbes World's Billionaires List: The Richest in 2020.

Jan. 29, 2021 data was taken from Forbes real-time estimates of wealth that day.

President Biden's new \$1.9 trillion COVID relief plan would provide [\\$350 billion in general aid](#) to state and local governments to preserve jobs and critical public services plus \$170 billion to help schools reopen and support public colleges.

As Massachusetts billionaires ride out the crisis on a rising tide of wealth, the state's working families struggle to keep their heads above water:

- 172,029 state residents were collecting unemployment the week ended Jan. 23 [\[U.S. Department of Labor\]](#)
- Between March and September 2020, 2,688 state businesses closed, 1,399 of them permanently. [\[YELP\]](#)

- Late last year, 446,000 adult state residents, or 10%, reported going hungry over the past week. The figure for households with children was 16%. [[Center on Budget & Policy Priorities, CBPP](#), Table 1]
- 19% of the state's tenants—318,000—were behind in their rent at the end of 2020. [[CBPP](#), Table 3]

[Low-wage workers](#), [people of color](#) and [women](#) have suffered disproportionately in the combined medical and economic crises because of long-standing racial and gender disparities. Blacks and Latinos are far more likely to [become infected with Covid-19](#) and to die from the disease. Billionaires are overwhelmingly white men.

Here's a sampling of some of the state's prospering billionaires:

- Members of the mutual-fund dynasty **Johnson clan (Edward Johnson III; his son, Edward Johnson IV; daughter Elizabeth Johnson—**all of Boston**—and other daughter Abigail Johnson, of Milton)** saw their collective wealth jump by nearly 40%, up \$8.2 billion to \$29.2 billion.
- Samuel Adams brewmeister **Jim Koch** of Newton more than doubled his fortune, which shot up \$1.5 billion to \$2.8 billion.
- Newton sneaker mogul **Jim Davis** increased his fortune by almost half: from \$4.7 billion to \$6.9 billion.

State group's quote – suggest tying it into the state budget debate if it's begun

"Billionaires have been reaping bushels of pandemic profits the last 10 months while many working families are reeling, state and local services are suffering and jobs are disappearing," said **Frank Clemente, executive director of Americans for Tax Fairness**. "Congress needs to come to the immediate rescue to get the country out of this mess. And then it should turn its attention to enacting sweeping reforms that make the wealthy and corporations pay their fair share of taxes so we can create an economy that works for all of us."

"Republicans in the Senate keep trying to pare down the \$1.9 trillion Biden pandemic relief plan that would save jobs and services in states and provide millions of people healthcare, unemployment protection, paid leave with excuses about targeting support to those who need it most," said **Margarida Jorge, Executive Director, Health Care for America Now**. "But those excuses are more hollow than ever in a pandemic where billionaires are getting richer as everyone else struggles. The Republicans certainly weren't worried about targeting the neediest when they passed their \$1.9 trillion tax law back in 2017. That law gave away billions to the rich and corporations while leaving the middle class and working people behind."

Some billionaires have seen a particularly astonishing increase in wealth:

- **Elon Musk's** wealth grew by over \$156 billion, from \$24.6 billion on March 18 to \$181 billion on Jan. 29, a more than six-fold increase, boosted by his **Tesla** stock.
- **Jeff Bezos's** wealth grew from \$113 billion on March 18 to \$188.6 billion, an increase of 67%. Adding in his ex-wife MacKenzie Scott's wealth of \$57 billion on Jan. 29, the two had a combined wealth of almost a quarter of a trillion dollars thanks to their **Amazon** stock.

- **Mark Zuckerberg's** wealth grew from \$54.7 billion on March 18 to \$97 billion, an increase of over two-thirds (77%) fueled by his **Facebook** stock.

President Biden's "build back better" tax and investment plans could address immediate needs created by the pandemic and put the nation on a trajectory toward economic growth that restores the middle class, good jobs, healthcare and equitable opportunity for everyone to prosper. Even [Wall Street analysts](#) praise the plan because of the jobs and growth it would create.

A key component is tax reform that would begin to ensure the wealthy and corporations pay their fair share. [Biden's tax plan](#) would transform huge billionaire gains into public revenue to help heal a hurting nation by both raising taxes on the wealthy and closing tax loopholes that allow the rich to delay, diminish and even avoid paying the taxes they owe on wealth increases. President Biden and the new Congress could make structural changes to level the playing field so that the rich are taxed more like the rest of us.

A number of approaches will be debated in Congress, including an annual wealth tax on the biggest fortunes, proposed by Senators [Elizabeth Warren](#) and [Bernie Sanders](#). Another option is the annual taxation of investment gains on stocks and other tradable assets, an idea advanced by the [new Senate Finance Committee chair, Ron Wyden](#). Even under the current discounted tax rates for investment income, if Wyden's plan had been in effect in 2020, Massachusetts billionaires would be paying billions of dollars in extra taxes this spring thanks to their gargantuan pandemic profits last year. That public revenue could help address the pandemic's impact and keep the economy afloat.