

Asset managers work to increase wealth over time

Danny Dorling, the 1971 Professor of Geography at the University of Oxford, warns that asset managers, in their drive to multiply wealth, often entrench inequality and shape society in ways that favor the few over the many. He calls for greater scrutiny of the hidden power these financiers wield.

On July 1st 2025, journalist Polly Toynbee wrote a story in *The Guardian* beneath the title: *'To all who think capitalism can drive progressive change, it won't – and here's the shocking proof'* [1]. She was writing about the behaviour of one group of what are called asset managers.

I wanted to know what asset managers did, so I looked up an article on the web titled *'What Is Asset Management, and What Do Asset Managers Do?'* written by Akhilesh Ganti in May 2025. I learned that *"Asset management is the practice of investing money on behalf of clients. Asset managers work to increase wealth over time."* [2] This growth appears to be almost entirely in the wealth of the already very wealthy. Ganti's article suggested that the take of the asset managers reduces to below 1% commission once they are dealing with many millions of a rich person's assets, and that *"There are many types of asset managers. Some work for family offices and wealthy individuals and others are employed by major banks and institutional investors."*

Ganti mentioned in particular the largest asset managers in the USA and how much money was under their control, suggesting that US law required them to put the profit requirements (or words to that effect) of their clients first, above their own personal desires, wants and feelings — and with no mention of any other important goals in a society

when it came to asset management. The largest asset managers, and the amount of wealth they manage — wealth that they invest to turn into even more wealth, largely at the expense of the millions of little people who lose out — in descending order are: *BlackRock (\$9.46 trillion), Vanguard Group (\$7.25 trillion), Fidelity Management and Research (\$3.88 trillion), The Capital Group (\$2.5 trillion), and Amundi (\$2.1 trillion).*

So, what has this to do with Toynbee's story? Well, she was writing about a smaller asset management company, Aberdeen Group plc, which a quick web search (Wikipedia) suggests had £0.5 trillion of assets under management in 2024; small compared to the largest US firms, but no minnow.

In her story, Toynbee tells of asset manager Aberdeen's surprise cut to funding research into inequality. This was done by altering who the trustees of a charity it had set up were, which has *"...left those that used its grants for good works reeling."* For 16 years, the asset managers — which she describes as a wealth management and investment company — *"sponsored some of the most influential research into inequality and its financial causes."* Toynbee puts the sudden change of heart down to events in the USA, saying that *"Wildfires started by President Trump are engulfing global companies as his administration attempts to bar asset and retirement plan managers from considering environmental, social and governance (ESG) factors in investment decisions and targets private sector diversity, equity and inclusion (DEI) initiatives with executive orders. Companies doing good are at risk. I ask Aberdeen if that's why it has shut down the trust. It denies it strongly, saying it is just a 'natural evolution'."*

Natural evolution is a strange argument to raise as a case for moving in a suddenly different direction. Evolution tends to take place slowly, gradually. More importantly, it is what occurs in nature, not something in the very unnatural and inorganic world of Scottish financiers — those not directly controllable by US law. Perhaps the person who coined that phrase *"natural evolution"* for why the decision was made to possibly cut all the funding into studying inequality and its ill-effects was thinking along more fictional Darwinian lines? The kind of lines illustrated in Aldous Huxley's *Brave New World*, which was partly about how some people think of evolution. The questions raised concern who survives and who

does not, what charitable bodies can and cannot do, and what is the fit and proper place for activities and people deemed to be of different kinds and different merits.

We now know that the charity funding so much of the now-threatened research could only operate at the largesse of the asset managers. The list of bodies the asset management firm's generosity used to fund is long and included: *the Institute for Fiscal Studies (IFS)*, *the Resolution Foundation*, *the Royal United Services Institute*, *Bright Blue*, *the New Economics Foundation*, *the Centre for the Analysis of Taxation (CenTax)*, *the Child Poverty Action Group*, *the High Pay Centre*, and *Transport for All*. It has also funded funeral poverty research by *Quaker Social Action* and consumer research by *Which?* At the time the decision was made to end its operations as normal, the trust reportedly had £3.6m promised to various bodies, including no doubt some of those listed above.

£3.6 million is a little less than 1% of 1% of the assets this globally small asset management outfit handles at any one time. Less than 1% of 1% of their monies. But none of the monies come from any of their clients — the charity was set up because of a mutual organisation, Standard Life, being incorporated into the asset managers when it demutualised.

Established in 2009 as the Standard Life Foundation, it received a substantial donation from the unclaimed assets of Standard Life's demutualisation. Most importantly, there is no equivalent funded through any other asset or wealth management firm, so the cut represents the elimination of 100% of this type of financier-funded research into inequality and its financial causes.

One of the organisations having some of its funding cut is the High Pay Centre. The Aberdeen group was titled *Abrdn* until a change to the more pronounceable version — with the vowels — in early 2025. Have a look at the front cover of the Annual Report of the High Pay Centre published in June 2025, and the logo at the very top. And then look at the slightly podgy man in the brown-green clothes sitting on the tallest pile of silver coins, or at the slightly more suave fellow with the blue suit and red tie striding beside the tallest pile of gold coins.

CEO TO WORKER PAY GAPS IN THE FTSE 350:

Five years of pay ratio disclosures



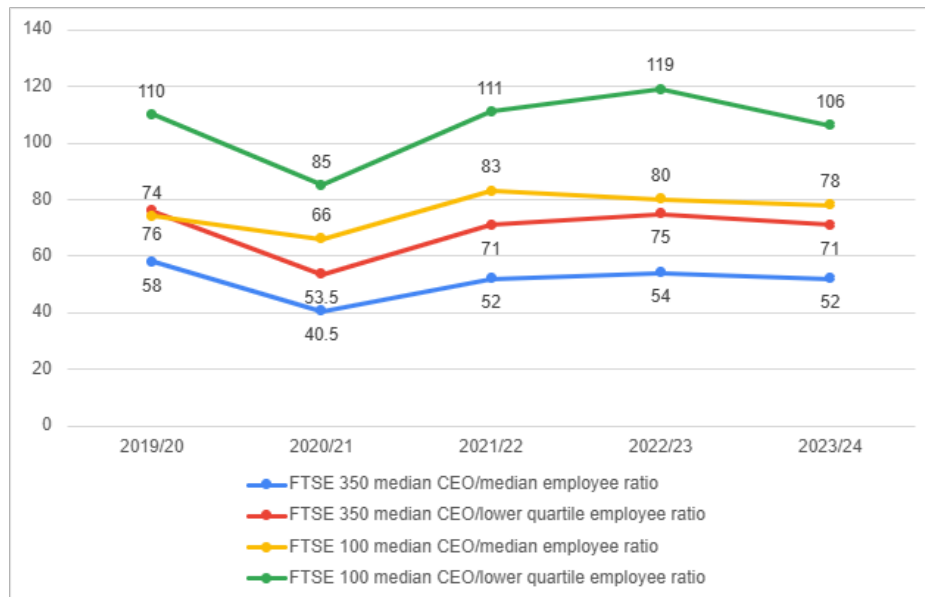
Annual Report

June 2025

Is it possible that having their logo at the top of reports titled ‘*CEO to Worker Pay Gaps in the FTSE 350*’ [3] might have annoyed someone whose day job involved overseeing deals that sometimes included people at the top of some of the 350 largest public companies in the UK — as well as myriads of smaller, entirely private companies?

So, what were groups like the High Pay Centre publishing that might cause someone to think they should not be funded? In that latest report, it explained that after a brief initial fall in the greed of the greediest after 2018 (aided greatly by the arrival of the pandemic in China in late 2019), pay inequalities were increasing again in the years 2021, 2022, and 2023. However, the inequalities fell in 2024, as the first graph in that report shows. It is possible to

reduce inequalities in pay, even in an era of Trump; but to do so requires reporting and observing — seeing what is happening and, in some cases, shaming.



Perhaps someone does not want you to know that inequalities in extreme earnings can be reduced? Or perhaps there are other views they fear being aired?

Here are some words from within that High Pay Report, which was funded by asset managers who now no longer wish to fund such work:

‘Limitarianism’ and the re-distribution of earnings

Insights from the pay ratio disclosures are very relevant to an emerging debate about ‘limitarianism’ — the notion that in a world of finite resources, there should be an upper limit on individual wealth — and growing interest in the potential to raise living standards of those in the middle and at the bottom by redistributing the excess income and wealth of those at the top.

The premise of this argument is very simple. Those at the top hoard excessive income and wealth beyond that necessary to proportionately incentivise and reward innovation and productivity. If this income and wealth were shared more evenly throughout society, it would significantly raise living standards. The debate has mostly focused on taxation of the super-rich, in particular a wealth tax on multi-million pound fortunes. However, if we want to address the problem of extreme and inefficient concentrations of income and wealth, then it should be a priority to prevent them from emerging in the first place. This could mean regulating CEO to worker pay gaps. [4]

There has been much speculation as to whether what occurred under the direction of people at Aberdeen was *“in the best interests of the charity”* [5] it had helped found. *The Times* questioned why *“The chief executive and all ten independent trustees of Abridn Financial Fairness Trust were removed in a shift away from funding research.”* [6] As the old **phrase** goes, *“damaged people damage people, hurt people hurt people.”* There will come a time in the future when the decisions made to end the current work of the Financial Fairness Trust of the Aberdeen investment managers will be scrutinised and researched in great detail. I would not be surprised to find it linked through to more general histories of those at the top of British society with the power to harm others — perhaps doing it because they too were harmed, and hold inside themselves an anger? I have absolutely no idea, but I would be interested to know if there are links. [7]

Asset managers work to increase the wealth of the wealthy over time — how long should we tolerate them, and how they behave? When you hear people argue against “a wealth tax on multi-million pound fortunes” — think back to how the richest people in the world try to control the debate, what we know, and what we can know.

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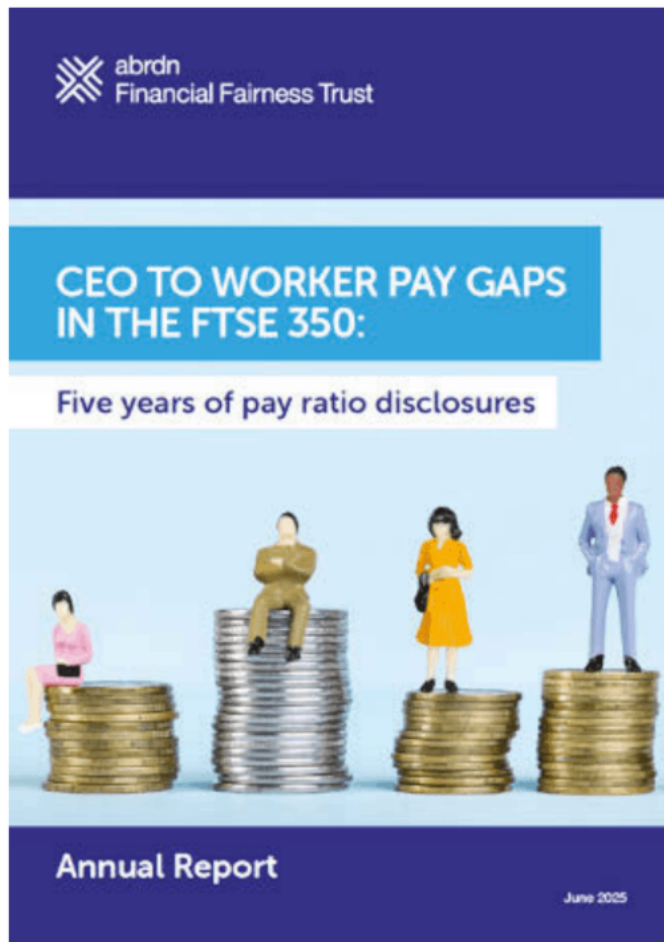
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