

SILVER SPOON OLIGARCHS

*How America's 50 Largest
Inherited-Wealth Dynasties
Accelerate Inequality*



CO-AUTHORS

Chuck Collins is director of the Program on Inequality and the Common Good at the Institute for Policy Studies where he coedits Inequality.org. He is author of the new book *The Wealth Hoarders: How Billionaires Pay Millions to Hide Trillions*.

Joe Fitzgerald is a research associate with the IPS Program on Inequality and the Common Good.

Helen Flannery is director of research for the IPS Charity Reform Initiative, a project of the IPS Program on Inequality. She is co-author of a number of IPS reports including *Gilded Giving 2020*.

Omar Ocampo is researcher at the IPS Program on Inequality and the Common Good and co-author of a number of reports, including *Billionaire Bonanza 2020*.

Sophia Paslaski is a researcher and communications specialist at the IPS Program on Inequality and the Common Good.

Kalena Thomhave is a researcher with the Program on Inequality and the Common Good at the Institute for Policy Studies.

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Institute for Policy Studies National Office

1301 Connecticut Ave NW, Suite 600, Washington, DC 20036 | Web: www.ips-dc.org
Twitter: [@ips_dc](https://twitter.com/ips_dc) | Facebook: [http://www.facebook.com/InstituteForPolicyStudies](https://www.facebook.com/InstituteForPolicyStudies)

Email: chuck@ips-dc.org

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Contents

Key Findings	3
A New Feudalism: America's Dynastic Families	4
The Dangers of Dynastic Wealth Accumulation	6
Immense and Tenacious Fortunes	7
The Political Power of Wealth Dynasties	12
Philanthropy as an Extension of Dynastic Power	13
The Six Habits of Highly-Entrenched Dynasties	14
1. Defeat Any Attempt to Raise Taxes on the Wealthy.....	14
2. Don't Give Away Too Much to Charity	15
3. Form a Family Office to Sequester Wealth.....	15
4. Create Dynasty Trusts and Other Loopholes to Avoid Estate and Gift Taxation.....	16
5. Use Your Wealth to Promote Self-Serving Public Policy	17
6. Weaponize Your Charitable Giving to Advance Your Dynastic Interests.....	20
The Dynasties That Might Have Been	23
Those Who Gave It Away	24
Those Who Invested in Others.....	25
Those Who Chose Not to Profit in the First Place	26
How to Prevent Hereditary Feudalism in America	26
Proposals Currently under Consideration	26
Further Actions to Close Down the Hidden Wealth Protection System	27
Conclusion: Billionaire Dynasties or Defended Democracy?	29
Appendix I: Report Methodology	30
Appendix II: The Top 50 Dynastic Families in Depth	30
Early 19 th Century Dynasties.....	30
Late 19 th Century Gilded Age Dynasties	31
Pre-War 20 th Century Dynasties	33
Post-War 20 th Century Dynasties.....	37
Dynasties of the Future.....	40
Appendix III: Data Tables.....	41
The Families on the <i>Forbes</i> Billion-Dollar Dynasties List (2020).....	41
Change in Dynastic Family Net Worth 1983-2020 for Families on the List in Both Years.....	42
The Private Foundations of Dynastically Wealthy Families (2018)	43
End Notes	44

Key Findings

- **Dynastic families control a staggering amount of wealth.** In 2020, America's 50 wealthiest billionaire family dynasties together held \$1.2 trillion in assets. By comparison, the bottom half of all U.S. households—an estimated 65 million families—shared a combined total wealth of just twice that, at \$2.5 trillion.
- **Dynastic family wealth grew ten times the rate of ordinary families.** For the 27 families that were on both the *Forbes* 400 list in 1983 and the *Forbes* Billion-Dollar Dynasties list in 2020, their combined assets have grown by 1,007 percent over those 37 years. This is an increase from \$80.2 billion to \$903.2 billion in inflation-adjusted dollars. In contrast, between 1989 and 2019—the most recent year available—the wealth of the typical family in the U.S. increased by just 93 percent in inflation-adjusted dollars.
- **Those at the very top are blowing away even their closest competition.** The 27 families on the *Forbes* list this past year who were on the *Forbes* 400 list in 1983 had a median increase in their net worth, adjusted for inflation, of 904 percent over those 37 years. And the five wealthiest dynastic families in the US have seen their wealth increase by a median 2,484 percent from 1983 to 2020.
 - In 1983, Wal-Mart founder Sam **Walton** and his children were worth just \$2.15 billion (or \$5.6 billion in 2020 dollars). By the end of 2020, Walton's descendants had a combined net worth of over \$247 billion, an inflation-adjusted increase of 4,320 percent.
 - The **Mars** candy dynasty has seen its wealth increase 3,517 percent over the past 37 years, from \$2.6 billion in 1983 (in 2020 dollars) to \$94 billion by 2020. The Mars family also stands out for the miniscule amount of money they have stored in family foundations—\$48 million as of 2018—in contrast to the large sums they have spent on public policy advocacy to change tax laws.¹
 - Cosmetics magnate Estée **Lauder** and her descendants have seen their wealth grow from just \$1.6 billion in 1983 (in 2020 dollars) to \$40 billion in 2020. This is a growth rate of 2,465 percent. A hefty portion of that growth has come in just the past five years: the Lauder family's assets have grown 119 percent since 2015, for an average growth rate of 16.9 percent each year.
- **Dynastic wealth is persistent, and is becoming increasingly persistent over time.** Of the top 50 dynastically wealthy families on the 2020 *Forbes* Billion-Dollar Dynasties list, 27 were also on the *Forbes* 400 list in 1983. Of the 20 wealthiest families on the list in 2020, 13 were already in the top 20 in 1983. Only 4 of the top 20 wealth dynasties are new to the list since 1983.

- **Dynastic families have seen their wealth grow significantly during the COVID-19 pandemic.** Since the start of the pandemic in March 2020, the top 10 families on the *Forbes* dynasty list have had a median growth in their net worth of 25 percent.
- **Dynastically wealthy families wield a great deal of political power, and use it to further their interests.** Some dynastic families spend millions lobbying for favorable tax, labor, and trade policies. Several have corporate political action committees which give millions to candidates and campaigns. Many family members give to candidates and PACs; several serve on policy advisory boards; and a few have served in government themselves—including as governors, cabinet members, and even vice president.
- **Dynastic families wield a great deal of philanthropic power, and can use it to further their self-interest as well.** The top 50 families have set up more than 248 foundations between them, housing more than \$51 billion in assets. While many move much-needed revenue to broader public interest charities, others fund groups working to reduce taxes on the wealthy and roll back regulations that constrain corporate profits. Some funnel millions to donor-advised funds, which can fund dark-money political advocacy. And in a few cases, family members have used them to compensate themselves.

A New Feudalism: America's Dynastic Families

Much of the media's focus today is on new wealth billionaires: Jeff Bezos, Mark Zuckerberg, and Elon Musk, who have become centi-billionaires in their lifetimes. These splashy first-generation fortunes understandably dominate the news. Musk's wealth, for example, increased by more than \$100 billion during the first nine months of the pandemic in 2020.²

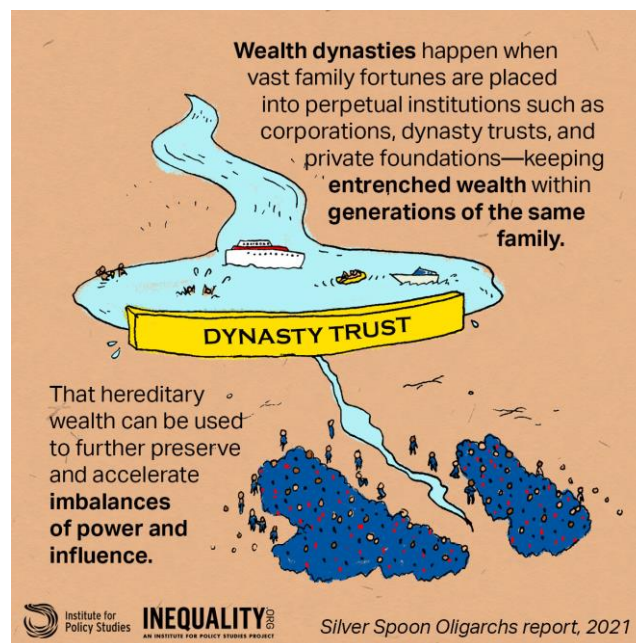
These new fortunes feed into the country's self-image as an entrepreneurial, mobile society, rather than a caste-based society with historically reinforced patterns of income and wealth inequality. Lurking behind these dynamic first-generation stories, however, are persistent examples of even greater multi-generational dynastic wealth, with some of these family fortunes accelerating over the last century.

In healthy, equitable democratic societies, great fortunes dissipate over a few generations. "From shirtsleeves to shirtsleeves in three generations" is the natural order in such polities.³ Wealth de-concentrates and disperses over time as initial wealth-holders have children and grandchildren, pay their fair share of taxes, and even take advantage of incentives to share wealth with our charitable giving system.

In America, however, as this analysis will show, our country's wealth is accumulating in fewer hands. Those hands often belong to members of a tiny number of dynastically wealthy families: people who may be two, three, or in some cases seven generations removed from the original source of their family's wealth. In December 2020, *Forbes* published a report of these "Billion-

Dollar Dynasties” — the wealthiest families in the U.S. — and their report serves as a foundation for part of this study.⁴

Entrenched wealth dynasties combined with stagnant social mobility pose fundamental challenges to U.S. society and the reality of opportunity. We understandably admire entrepreneurs who invent things or build companies — almost always with crucial help from colleagues, workers, and taxpayer-funded infrastructure. But at a certain stage, some of these creators — or their descendants — shift resources to consolidate their wealth, fend off competition, and create monopolies. As this report will show, they focus less on creating new wealth and more on preserving existing systems that extract ongoing rents from consumers and the real economy.



America’s dynastic families, both old and new, are deploying a range of wealth preservation strategies to further concentrate wealth and power — power that is deployed to influence democratic institutions, depress civic imagination, and rig the rules to further entrench inequality. This tax avoidance means less support for the infrastructure we all rely on to preserve our health, safety, and quality of life.

It is important to remember that there are entrepreneurs and inventors throughout our history who had the opportunity to create dynastic wealth, but took a different path. There were 15 billionaires on the *Forbes* 400 list in 1983; of that 15, six were no longer billionaires by 2020. These include members of the Getty family; energy barons George Mitchell, Marvin Davis, and Philip Anschutz; and early computer billionaires David Packard and Sy Wang.⁵ For various reasons, these original billionaires and others with similar asset-building potential did not create multi-generational, dynastically wealthy families. As we will explore later, some gave away significant portions of their wealth, either to charity or to the communities that made

their wealth possible. Some deliberately took steps to prevent their descendants from inheriting grossly outsized estates. And others consciously chose not to build fortunes for themselves in the first place.

In this report, we document the scale of America's dynastic wealth; how dynastically wealthy families use their financial, political, and philanthropic clout to advance their dynasty-building agenda; and the consequences this has for the rest of us. We will also discuss counter-examples: entrepreneurs and inventors who could have built wealth dynasties, but did not.

The Dangers of Dynastic Wealth Accumulation

There are several reasons we should be concerned about the formation of inherited wealth dynasties and the larger hidden wealth-preservation system that makes them possible. These include the social and economic impacts of aggressive tax avoidance, the deepening of entrenched inequality, and the anti-democratic implications of hereditary dynasties of wealth and power. The emergence of wealth dynasties undermines how self-governing societies organize meaningful tax systems, raise revenue, and make public investments.

Inherited-wealth dynasties have benefitted from a wealth-hiding system facilitated by a powerful wealth defense industry that enables the wealthy to move their money around the world and escape accountability. These tax dodges and shifts—some of which are considered legal—undermine public finance and democratic decision-making and are a huge cost to societies. When the wealthy don't pay, they leave the bills to everyone else for public services—from caring for veterans and protecting national parks to repairing our roads and protecting the public from infectious diseases.

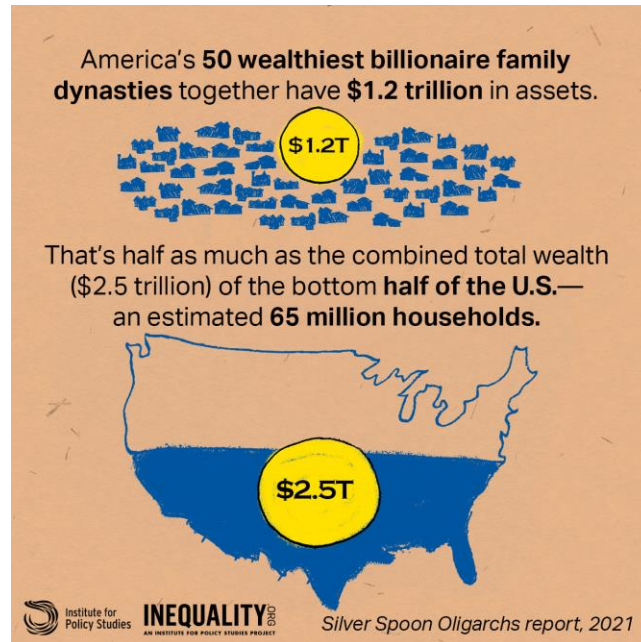
The ultra-wealthy, especially dynastically wealthy families, have in fact created a two-tier tax system: one set of rules for themselves, another for everyone else. As a result, we end up with absurd situations where a senior government official is able to say that “only morons pay the estate tax”—openly acknowledging that the U.S. estate tax system is optional for the wealthiest.⁶

The formation of inherited wealth dynasties also contributes to rapid growth in income and wealth inequality, fortifying oligarchic concentrations of financial and political muscle. This erodes economic opportunity and social mobility and ultimately threatens the very basis of our self-governing democracy.

This is the greatest risk of the increasing concentration of wealth in dynastic families: that our civil institutions will cease to serve society as a whole, and will be used instead as a means to protect and preserve individual wealth and power.

Immense and Tenacious Fortunes

Dynastic families control a staggering amount of wealth. In 2020, America's 50 wealthiest billionaire family dynasties together held \$1.2 trillion in assets.⁷ By comparison, the bottom half of all U.S. households—an estimated 65 million families—shared a combined total wealth of just twice that, at \$2.5 trillion.⁸



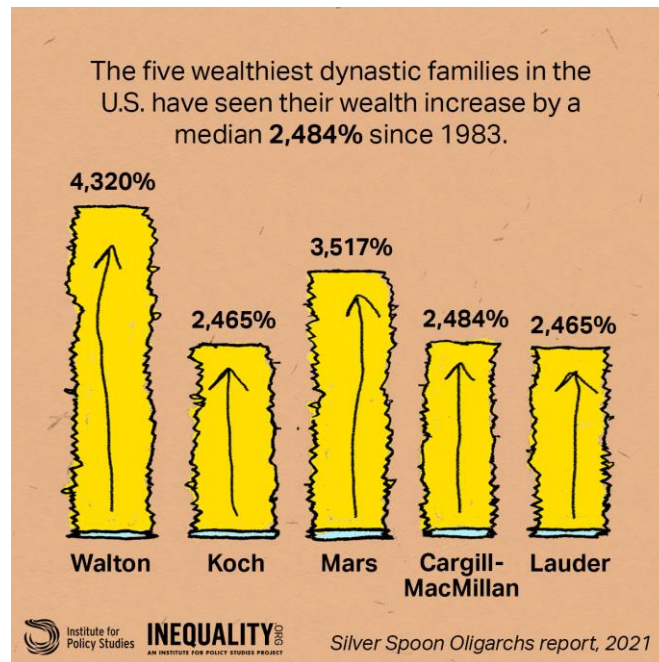
This dynastic wealth has not been sitting still. In fact, **the assets of dynastic families have grown at an impressive pace in recent decades.** For the 27 families that were on both the *Forbes* 400 list in 1983 and the *Forbes* Billion-Dollar Dynasties list in 2020, their combined assets have grown by 1,007 percent over those 37 years.⁹ This is an increase from \$80.2 billion in 1983 to \$903.2 billion in 2020 inflation-adjusted dollars, and a sturdy average annual growth rate of 6.7 percent per year.

This growth has hardly wavered through the years: the combined assets of these 27 families grew 99 percent over just the most recent eleven years from 2009 to 2020. This is an average annual growth rate of 6.5 percent, almost exactly in line with their nearly forty-year average.

In contrast, median family wealth for the typical family in the United States increased by just 93 percent in inflation-adjusted dollars between 1989 and 2019—the most recent year for which data is available—for an average growth rate of just 1.8 percent per year.¹⁰

Those at the very top of the dynastic wealth ladder are blowing away even their closest competition. The 27 families on the *Forbes* list this past year who were on the *Forbes* 400 list in 1983 had a median increase in their net worth, adjusted for inflation, of 904 percent over those 37 years.

This is an impressive rate of growth by any measure. But 12 of these wealthy families saw their wealth increase by over 1,000 percent, adjusted for inflation, since 1983, with 8 families seeing gains of over 2,000 percent.



The five wealthiest families on the list far outstripped the rest: the Walton, Koch, Mars, Cargill-MacMillan, and Lauder families saw their wealth increase by a median 2,484 percent since 1983.

Percent Change in Family Net Worth 1983-2020 for the Top Five Families on the *Forbes* Billion-Dollar Dynasties List

Family	Rank on <i>Forbes</i> Billion-Dollar Dynasties List (2020)	Family Wealth in 1983 (2020 Dollars)	Family Wealth in 2020	% Change 1983 to 2020 (2020 Dollars)
Walton Family	1	\$5,587,635,000	\$247,000,000,000	4,320%
Koch Family	2	\$3,898,350,000	\$100,000,000,000	2,465%
Mars Family	3	\$2,598,900,000	\$94,000,000,000	3,517%
Cargill-MacMillan Family	4	\$1,819,230,000	\$47,000,000,000	2,484%
Lauder Family	5	\$1,559,340,000	\$40,000,000,000	2,465%

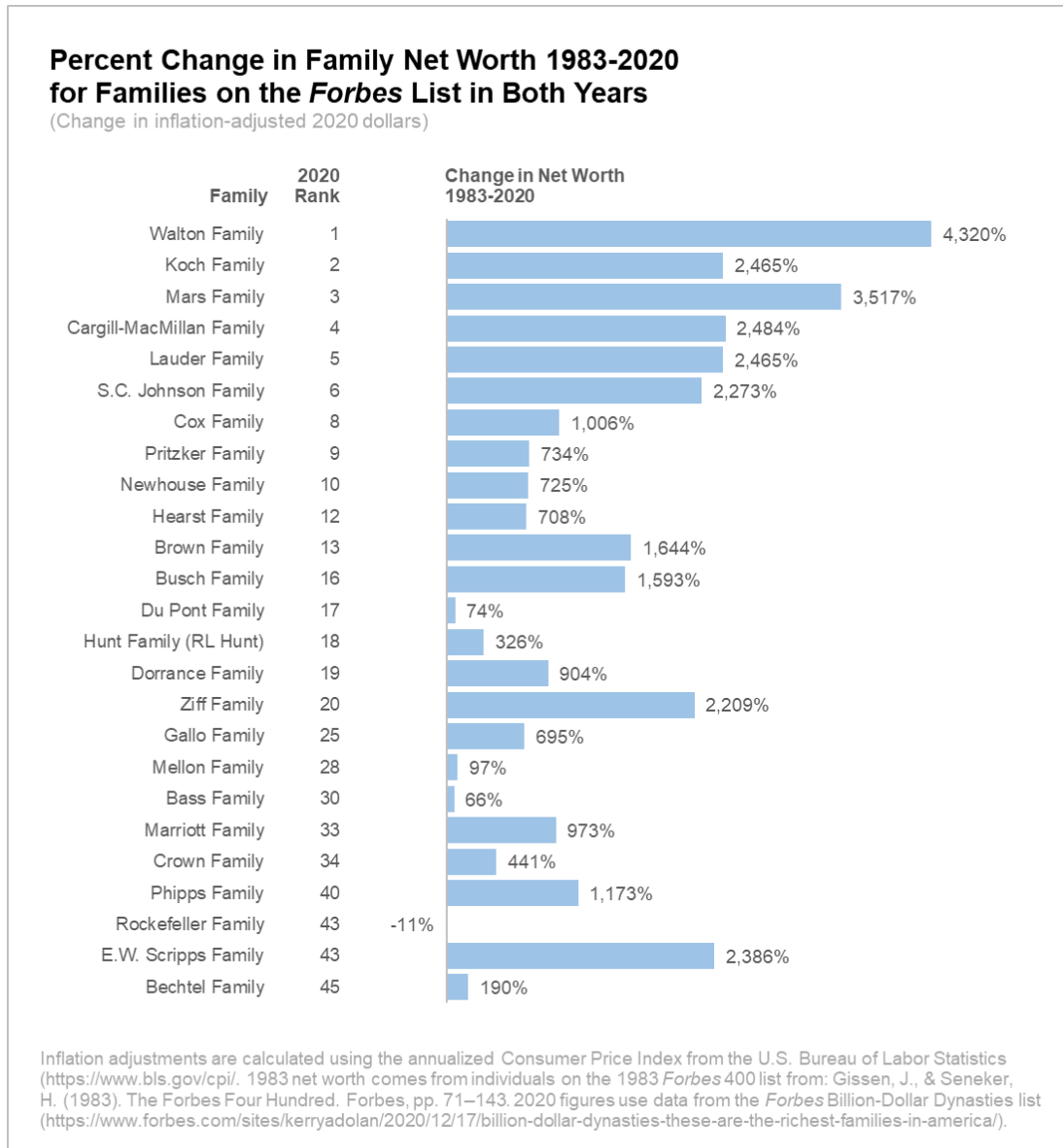
1983 assets are based on individuals on the 1983 *Forbes* 400 list from J. Gissen & H. Seneker, "The Forbes Four Hundred", *Forbes*, 1983, pp. 71–143. 2020 assets are from the *Forbes* 2020 Billion-Dollar Dynasties list at <https://www.forbes.com/sites/kerryadolan/2020/12/17/billion-dollar-dynasties-these-are-the-richest-families-in-america/?sh=33219e2c772c>. Inflation adjustments use annualized Consumer Price Index from the US Bureau of Labor Statistics (<https://www.bls.gov/cpi/>).

By 2020 these five top families each had a net worth of at least \$40 billion, with the Walton family leading the pack at \$247 billion. According to the *Forbes* data, some of the greatest recent increases included:

- In 1983, Wal-Mart founder Sam **Walton** and his children were worth just \$2.15 billion (or \$5.6 billion in 2020 dollars). By the end of 2020, Walton's descendants had a combined net worth of over \$247 billion, an inflation-adjusted increase of 4,320 percent.
- The **Mars** candy dynasty has seen its wealth increase 3,517 percent over the past 37 years, from \$2.6 billion in 1983 (in 2020 dollars) to \$94 billion by 2020. The Mars family also stands out for the miniscule amount of money they have stored in family foundations—\$48 million as of 2018—in contrast to the large sums they have spent on public policy advocacy to change tax laws.¹¹
- Cosmetics magnate Estée **Lauder** and her descendants have seen their wealth grow from just \$1.6 billion in 1983 (in 2020 dollars) to \$40 billion in 2020. This is a growth rate of 2,465 percent. A hefty portion of that growth has come in just the past five years: the Lauder family's assets have grown 119 percent since 2015, for an average growth rate of 16.9 percent each year.

Dynastically wealthy families remain wealthy for the long haul. The ranks of America's dynastic fortunes have remained largely unchanged for decades, and are becoming increasingly persistent over time.

Of the 50 dynastically wealthy families on the *Forbes* Billion-Dollar Dynasties list in 2020, 27 were also on the *Forbes* 400 list in 1983. And of the top 20 wealthiest families on the list in 2020, 13 were already in the top 20 in 1983, and 5 more had made it into the top 20 by 2015.



In fact, only 4 of the top 20 wealth dynasties are new to the list since 1983. And between 2015 and 2020, the only family to see its rank decline significantly was the opioid-pushing **Sackler** family, which fell from #16 to #30, thanks in large part to a number of high-profile legal settlements by their family-owned corporation, Purdue Pharma.¹²

Dynastic families have seen their wealth grow significantly during the pandemic. At a time when unemployment rates have skyrocketed and many American families have been struggling to get by, the very wealthiest families in the country have watched their assets multiply, as we have reported on Inequality.org.

Since the start of the pandemic in March 2020, the top 10 families on the *Forbes* dynasty list have had a median growth in their net worth of 25 percent.¹³

The Lauder family had the greatest increase, nearly doubling their wealth with 83 percent growth over that time period—but even the worst performer of the bunch, the S.C. Johnson family, had 9 percent growth and saw their assets increase by over a billion dollars.

Together, the top 10 families shared an increase in their combined net worth of over \$136 billion over the past fourteen months.

Change in Net Worth for the Top Ten Dynastic Families During the Pandemic

Family	Rank on <i>Forbes</i> Billion-Dollar Dynasties List (2020)	Family Wealth March 18, 2020	Family Wealth May 25, 2020	Wealth Change During the Pandemic	% Wealth Change During the Pandemic
Walton Family	1	\$215,400,000,000	\$245,800,000,000	+30,400,000,000	+14%
Koch Family	2	\$77,900,000,000	\$95,000,000,000	+17,100,000,000	+22%
Mars Family	3	\$74,200,000,000	\$95,200,000,000	+21,000,000,000	+28%
Cargill-MacMillan Family	4	\$19,800,000,000	\$31,900,000,000	+12,100,000,000	+61%
Lauder Family	5	\$26,200,000,000	\$47,900,000,000	+21,700,000,000	+83%
(S.C.) Johnson Family	6	\$13,200,000,000	\$14,400,000,000	+1,200,000,000	+9%
(Edward) Johnson Family	7	\$23,500,000,000	\$41,700,000,000	+18,200,000,000	+77%
Cox Family	8	\$30,500,000,000	\$37,200,000,000	+6,700,000,000	+22%
Pritzker Family	9	\$30,400,000,000	\$33,300,000,000	+2,900,000,000	+10%
Newhouse Family	10	\$10,800,000,000	\$16,100,000,000	+5,300,000,000	+49%
Total		\$521,900,000,000	\$658,500,000,000	+136,600,000,000	+26%
Median		\$28,300,000,000	\$39,450,000,000	+14,600,000,000	+25%

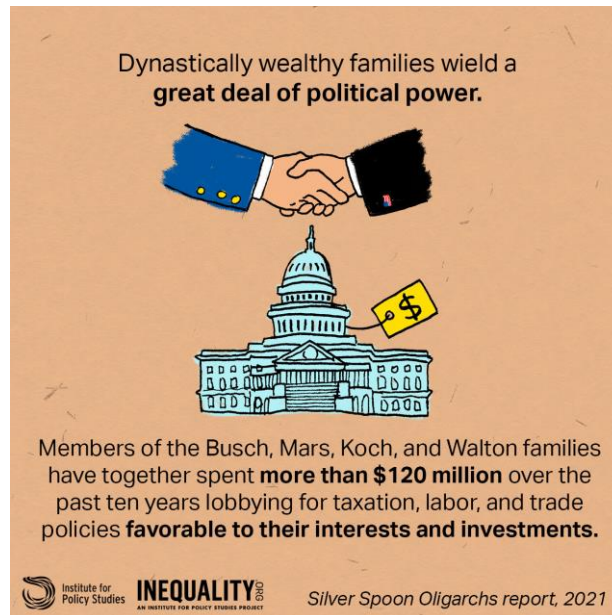
Family wealth is from *Forbes*' Real-Time Billionaire Tracker at <https://www.forbes.com/real-time-billionaires/>.
Current family wealth from May 25, 2020, is the most recent data available at the time of the writing of this report.

Complete tables of the wealth and growth in assets of these dynastic families are available in the Data Appendix at the end of this report.

The Political Power of Wealth Dynasties

Members of dynastically wealthy families wield a great deal of political power. These families can and often do use this power to influence policy that furthers their own financial interests, and this influence can take many forms.

- Dynastic families are able to use their personal and corporate wealth to lobby directly for tax, labor, and trade policies favorable to their businesses and investments; members of the **Busch, Mars, Koch, and Walton** families have together spent more than \$120 million over the past ten years on lobbying in these areas.¹⁴
- The **Cox, Brown, Walton, Marriott, and Simplot** families have set up their own corporate political action committees (PACs) which give millions to political candidates and campaigns on both sides of the aisle.¹⁵



- Many individual family members give directly to the political candidates, PACs, and Super PACs of their choice. Sometimes these gifts amount to tens of millions, as in the cases of Timothy **Mellon**, Ronald **Lauder**, and Jan **Duncan**.¹⁶
- Some, such as Bill **Marriott, Jr.**, Ray Lee **Hunt**, and Charles **Koch**, have served on commissions and boards that advise government officials on policy, giving these corporate leaders an outsized voice in writing the rules and regulations that govern their businesses.¹⁷
- And a few, like former U.S. vice president Nelson **Rockefeller**, current Illinois governor Jay Robert **Pritzker**, former Ohio governor James Middleton **Cox**, former Treasury Secretary Andrew W. **Mellon**, former Commerce Secretary Penny **Pritzker**, and a handful of ambassadors and trade representatives, have served in government themselves.¹⁸

Philanthropy as an Extension of Dynastic Power

Members of dynastically wealthy families wield not only a great deal of direct financial power, but power in the form of philanthropy as well. Some have given extraordinary sums directly to charities—most frequently to hospitals, universities, and arts and culture organizations.¹⁹ Some give their time to charities as fundraisers, board members, and volunteers.²⁰ But much of their philanthropic activity is done through private foundations.

The top 50 dynastically wealthy families in the U.S. have established more than 248 private family foundations between them—an average of five private foundations per family. In 2018, these foundations together housed more than \$51 billion in assets. The dynastic family that managed the most private foundations in 2018 was the **Pritzker** family, with 23. The family with the least was the **Barbey** family, which had none.²¹

For the most part, these are relatively small, closely-held private foundations where family members control the giving decisions. Among the 248 foundations of the dynastically wealthy families, however, four are multi-billion-dollar foundations with immense national impact and broader governance by non-family members: the Margaret A. Cargill Philanthropies, the Robert Wood Johnson Foundation, the Andrew W. Mellon Foundation, and the Rockefeller Foundation. Together, these four foundations house \$25 billion of the families' total.

Many dynastic family members do use their foundations to move much-needed revenue to charities working for the wider public benefit. And at least one, Regan **Pritzker's** Kataly foundation, has committed to an aggressive payout of funds, distributing all of its \$400 million in assets to charity within the next decade.²²

But for others, assets are warehoused, with revenue not always moving out as fast as it might. In 2018, the 248 private foundations managed by dynastically wealthy families paid out grants to charity at a median rate of 5.7 percent of assets, just slightly higher than the 5 percent minimum mandated by charitable giving laws.²³ And 98 of these foundations, or about two-fifths of them, gave out grants at a rate below five percent.

Family members receive significant tax deductions when they set up foundations and when they continue to donate to them, year after year. As trustees, they exercise considerable decision-making power over grants and staff pay. Parents, children, spouses, siblings, and cousins often sit on the boards of each other's foundations, providing for an undoubtedly rewarding shared family experience. And running a foundation can give family members a strong personal identity and a sense that they are playing an important role in the appropriate stewardship of charitable resources. All of these factors can turn the best of philanthropic intentions into an impulse to retain revenue in a foundation, rather than to distribute it more quickly where it is urgently needed.

It may be indicative of this instinct for revenue preservation that among all the billionaire descendants of dynastically wealthy families, only four have taken the Gates-Buffett Giving Pledge²⁴ to give away half of their wealth: Charles **Butt**, Duncan **MacMillan** (with his wife Nancy), Richard **Marriott** (with his wife Nancy), and the late David **Rockefeller**.

And, as we will detail later, others have in fact used their philanthropic muscle not to better the world for others, but to further their own personal and business interests. Most notably, the **Waltons**, **Marshalls**, and **Mellons** have used their foundations to fund nonprofit public policy organizations advocating for reducing taxes on the wealthy, as well as rolling back the corporate taxes and environmental regulations that constrain the profits of their family businesses.²⁵ Some, such as the **Kochs** and **Mellons**, use their foundations to funnel millions to donor-advised funds: charitable giving vehicles with no payout requirement and little transparency which can be used to fund anonymous, unlimited political advocacy.²⁶ And in an unfortunate handful of cases, family members sitting on the boards of their own foundations have also elected to use foundation assets to compensate themselves and their relatives for their board service. In perhaps the most egregious example of this, Éleuthère **du Pont II** receives more than \$390,000 each year in total compensation from his family's Longwood Foundation, where he serves as president.²⁷

A complete table of the assets and payout of the private foundations of dynastically wealthy families is available in the Data Appendix at the end of this report.

The Six Habits of Highly-Entrenched Dynasties

How do wealthy families do it? How do they arrest the natural process of wealth dispersal and enable their wealth to accumulate across multiple generations? What follows is a menu of practices that the dynastically wealthy use:

1. Defeat Any Attempt to Raise Taxes on the Wealthy

Taxes on the wealthy have gone down steadily over the last 70 years, allowing the build-up of inherited wealth dynasties. This includes reductions in income, estate, and capital gains tax rates, and in other levies on capital income. Between 1980 and 2018, the taxes paid by America's billionaires, when measured as a percentage of their wealth, have decreased by a staggering 79 percent.²⁸

By allowing the relative tax burden of billionaires to plummet since 1980, policy makers have caused the nation's wealth to concentrate at the very top. In the 12 years between 2006 and 2018, nearly 7 percent of America's real increase in wealth, measured in 2018 dollars, went to the top 400 billionaires.²⁹ The effective rate on the billionaire class—the actual percentage of income paid—was 23 percent in 2018, lower than most middle-income taxpayers.³⁰

If the pattern of the past four decades does not change, an even greater share of the nation's newly created wealth over the next 12 years will flow to the billionaire class.

2. Don't Give Away Too Much to Charity

As we will explore later, some of America's wealthiest entrepreneurs—such as Andrew Carnegie, W.K. Kellogg, and Milton Hershey—had the potential to found dynastically wealthy families, but gave away too much of their wealth for that to happen. Today's family dynasties understand that if they want to remain at the top, they must not give too many of their assets to charity. And when they do give, doing it through closely-held private family foundations provides them with not only an immediate tax deduction, but also the ability to maintain family control over those charitable assets into perpetuity.

The top 50 wealth dynasties, which have a total wealth of \$1.2 trillion, have put just \$51 billion into an estimated 248 family foundations—the equivalent of one Gates Foundation.³¹ These foundations pay out grants to working charities at a median 5.7 percent each year—just slightly higher than the mandated minimum payout rate.³²

As of May 2021, 168 U.S. billionaires have signed the Giving Pledge initiated by Bill Gates and Warren Buffett.³³ But only four members of *Forbes'* 50 dynastic families—some of which have thousands of descendants—have signed the Pledge. These Pledgers include:

- Charles **Butt**
- Duncan **MacMillan** (with his wife Nancy)
- Richard Edwin **Marriot** (with his wife Nancy)
- David **Rockefeller** (deceased 2017)

3. Form a Family Office to Sequester Wealth

Modern dynastic families, particularly those with \$250 million or more in wealth, are taking notes from the Rockefellers and Phippses and establishing their own family offices to bring wealth management in house. Family offices are in the dynastic wealth business: their central mission is the preservation of wealth and the maximization of the transmission of wealth to future generations.

Families setting up offices include many of the top 50 on the *Forbes* list, several of which have used symbols of their long lineages in the names of their family offices. The Kochs, for example, set up a family office called 1888 Management LLC, named after the year Charles and David's grandfather immigrated to America. The Cargill-MacMillan family office is named Waycrosse, a nod to Wayzata, Minnesota, where Cargill, Inc. is based. The Scripps family office is Miramar Services, Inc. based in Kentucky, named after the house that E.W. Scripps built on his personal ranch in California.

Today's wealthy families are laying the groundwork for their own future dynasties by using this tool that has proven advantageous for those in the past. There are now an estimated 10,000 family offices worldwide, and about half were founded within the last 15 years. Even Oprah has a family office—OW Management LLC.

See the IPS Briefing Paper: "[Family Offices: A Vestige of the Shadow Financial System.](#)"

4. Create Dynasty Trusts and Other Loopholes to Avoid Estate and Gift Taxation

Family offices are but one element in a larger wealth defense industry that billionaire families are able to use to preserve and shelter their wealth. These enablers—lawyers, financial advisers, lobbyists—are paid millions to hide trillions. They write laws that shape the taxation of wealth in advantageous ways; they lobby for weak enforcement and oversight of the laws that already exist; and they create complex legal entities and dubious financial vehicles such as trusts, offshore tax havens, and shell corporations to sequester and shelter wealth.

Dynasty trusts are one such vehicle. Dynasty trusts are designed to sequester wealth for longer than ordinary trusts—sometimes forever. They are often formed in U.S. states that have suspended or altered their state “rule against perpetuities,” legislation that previously limited the lifespan of a trust. They enable ultra-high net worth individuals—those with \$30 million or more—to systematically avoid transfer taxes such as estate, gift, and generation-skipping taxes.

Because the super-wealthy are avoiding or reducing their taxes, they are shifting the obligations to pay for society's investments onto lower and middle-income households. Dynasty trusts also entrench existing levels of wealth inequality and facilitate the formation of dynastic concentrations of hereditary wealth and power.

It's difficult to know exactly which families are utilizing dynasty trusts because of the secretive nature of wealth planning. We can get glimpses of who has benefited from dynasty trusts when financial disputes are inevitably taken to court; but South Dakota, the number one state for wealth hiding, seals its records from the public eye.

We do know a few names of families benefiting from dynasty trusts; they include the Pritzkers (of Hyatt hotels), the Carlsons (of Radisson hotels), the Wrigleys (of Wrigley's chewing gum), and the Scripps family (of Scripps media).³⁴ Steven Mnuchin placed \$32.9 million worth of corporate stock, art, and a jet in his dynasty trust, which he disclosed to federal ethics officials.³⁵ Jeff Bezos's mother, Jacklyn Bezos, has a generation-skipping trust, which we know because of Amazon SEC filings from the 1990s.³⁶

Additionally, a number of wealthy families have chartered their own private trust companies in South Dakota—for example, the Cargill-MacMillans (the Cargill agriculture corporation) and the Dillons (heirs of investor Clarence Dillon).³⁷

It is hard to know exactly what the private wealth planning strategies are for different families. When asked about their estate planning, wealthy families are unsurprisingly tight lipped. “We are a very public family with a very private investment philosophy,” said Christopher Kennedy, whose family is worth approximately \$1 billion.³⁸ Of course, that’s peanuts compared to families like the Waltons (net worth: \$247 billion), whose family spokesperson assured *Bloomberg* in 2013 that “[A]ny charitable or estate planning practices employed by the Walton family are broadly available and commonly used.”³⁹

But the results are clear. We can assume that families with accelerating wealth over generations are avoiding substantial estate taxes, and many are deploying tax planning devices to push wealth into trusts that are exempt from the tax.

See the IPS Briefing Paper: [“Dynasty Trusts: How the Wealthy Shield Trillions from Taxation Onshore.”](#)

5. Use Your Wealth to Promote Self-Serving Public Policy

Give Big to Anti-Tax Lobbying Efforts

In 2007, two years after the arrest of “super lobbyist” Jack Abramoff on corruption charges, Congress passed a reform bill called the Honest Leadership and Open Government Act. The idea behind this Act was to curb the practices that had enriched lobbyists like Abramoff: wooing legislators with dinners, trips, and contributions. But instead, the bill opened the door to even more rampant influence by lobbyists in politics.⁴⁰

Many corporations dramatically increased the amount they spent on congressional lobbying in 2008, and those higher levels of spending continue to the present day. The companies owned and operated by dynastically wealthy families are no exception; these families are using their corporate clout to advocate for self-interested policies around taxation, labor, and trade:

- The members of the **Mars** candy dynasty are highly engaged in lobbying to reduce their own taxes. In 2005, they lobbied to eliminate the Virginia estate tax.⁴¹ And the family corporation, Mars Inc., has spent more than \$20 million over the past ten years in lobbying efforts⁴²; they spent \$1,380,000 in lobbying in 2020 alone, \$720,000 of which was spent on “issues related to estate and gift tax reform.”⁴³
- Anheuser-Busch InBev, the family company of the **Busch** family, has spent a total of \$41 million over the past ten years, including \$5.6 million in 2020 alone, on lobbying efforts.⁴⁴ The overwhelming majority of their lobbying money has gone toward corporate tax policy, but they have also spent their influence dollars on bills related to trade and labor policies.⁴⁵

- The **Walton** family's company, Walmart, Inc., spends more than \$6 million each year on lobbying expenditures, for a total of \$67 million over the last ten years.⁴⁶ Most of their money goes to persuade politicians to vote the way they want on trade and tariff proposals, as well as bills related to tax policy.⁴⁷ They are also heavily invested in lobbying related to product safety, labor, and antitrust issues, including the wages, health, and safety of their workforce.⁴⁸
- Koch Industries has spent more than \$102 million over the past ten years, and almost \$8 million in 2020 alone, on lobbying in support of economic policies favorable to the **Koch** family.⁴⁹ The overwhelming majority of their lobbying expenses have targeted voting on bills related to tax policy, including bills aimed at reducing estate and gift taxes and repealing tax credits for electric vehicles.⁵⁰

Give Big to Anti-Tax Candidates and Campaigns

Many dynastic family members give large contributions to political candidates, parties, and PACs that support anti-tax policies favorable to their own financial interests. From the **Brown** family, for example, Marshall B. Farrer⁵¹ gives large sums to campaigns, often through his family's political action committee; his cousin Owsley Brown Frazier⁵² is a major anti-tax donor as well. Alexander Cox Taylor⁵³ is a major contributor to similar causes through both of the **Cox** family's PACs. Other notable contributors to anti-tax politics include:

- Timothy Mellon, a descendant of the **Mellon** family, gave a whopping \$60,005,555 to PACs during the 2020 election cycle alone.⁵⁴ The entire sum went to anti-tax groups including President Trump's America First Action PAC and the Senate Leadership Fund, a Super PAC with the primary goal of defeating Democratic Senate candidates. Mellon was the 6th largest donor to outside money organizations--including PACs--aiming to influence elections in 2020.⁵⁵
- Ronald S. Lauder, the son of Estée **Lauder**, is a long-time donor to anti-tax causes. He gave \$5.1 million during the 2020 election cycle alone, the majority of which went to the Senate Leadership Fund.⁵⁶
- **Duncan** family patriarch Dan Duncan was a member of the National Republican Senatorial Committee PAC, which is "solely devoted to strengthening the Republican Senate Majority and electing Republicans to the U.S. Senate."⁵⁷ Jan Duncan, Dan's widow, gave more than \$4 million to anti-tax candidates and PACs during the 2020 election cycle; most of her money went to the anti-choice Women Speak Out PAC, which spent nearly all of its money to defeat Democratic candidates.⁵⁸

Set up Your Own Corporate PAC

Several dynastic family corporations maintain their own political action committees (PACs) that fund political candidates, parties, and causes. In-house PACs ensure that corporations are in an excellent position to influence public policy in ways that are favorable to them. These include:

- The **Cox** family promotes self-advantaged policy through two corporate PACs: the Cox Enterprises PAC and the Internet and Television Association PAC. The company also employs a Vice President of Government Affairs whose job is to “craft public policy positions, developing advocacy strategies to advance these positions and executing those strategies before Congress.”⁵⁹ The two Cox PACs together spent over \$3 million in the 2020 election cycle on both Democratic and Republican candidates and parties.⁶⁰
- The **Brown** family maintains a PAC called the Brown-Forman Corporation Non-Partisan Committee for Responsible Government. Brown-Forman, which makes alcoholic beverages, gives about \$150,000 each election cycle to candidates, particularly those in Kentucky and Tennessee, who support their stance on liquor tax issues. As OpenSecrets reported, “the alcohol industry is highly regulated and heavily taxed by the federal government,” and Brown-Forman’s PAC giving ensures that it can “present its case” when new taxes or regulations are proposed.⁶¹ The PAC’s highest contributions over the past six years have included more than \$40,000 to Kentucky Representative John Yarmuth and \$25,000 to Kentucky Senator Mitch McConnell.⁶²
- The **Walton**, **Marriott**, and **Simplot** families all wield influence over public policy through their Walmart, Inc. PAC, Marriott International PAC, and J.R. Simplot Company PAC.

Use Your Unique Political Connections

- Ray Lee Hunt, the patriarch of the **Hunt** family, is a major supporter of former president George W. Bush. Hunt gave big to Bush’s presidential candidacy and his private foundation; he also served on Bush’s Foreign Intelligence Advisory Board and the board of the George W. Bush Presidential Center.⁶³ In 2007, these contributions paid off when Hunt made a deal with the Kurdistan government to buy oil fields in Iraq worth as much as \$14 billion.⁶⁴ The arrangement directly conflicted with U.S. policy, which states that only the central government of Iraq has the ability to enter into contracts—but there is evidence that the Bush administration was aware of the deal before it was signed.⁶⁵ And, in spite of Congressional questioning, it still stands today.
- John Willard “Bill” **Marriott**, Jr., the son of the founder of Marriott International, is a member of the U.S. Chamber of Commerce.⁶⁶ He also served as the chair of the President’s Export Council⁶⁷, the principal national advisory committee on international trade, and the U.S. Travel and Tourism Advisory Board⁶⁸, a governmental organization

that supports and promotes tourism in the United States. All three of these organizations have given Marriott a strong voice in trade policy — policy in which his family’s business has a vested interest.

- Charles **Koch**, the president and CEO of petroleum company Koch Industries, serves on the National Petroleum Council. This is a governmental panel with the agency to “represent the views of the oil and natural gas industries in advising, informing, and making recommendations to the Secretary of Energy,” ensuring that Koch and his corporation have the ear of those writing energy policy.⁶⁹

6. Weaponize Your Charitable Giving to Advance Your Dynastic Interests

The wealthy have vast resources in the charitable sector: private foundations hold an estimated \$1.2 trillion in assets nationwide.⁷⁰ Most foundation grants do support worthy causes that benefit society as a whole. But a handful of dynastically wealthy families have used their taxpayer-subsidized charitable foundations to fund anti-tax think tanks: research institutions advocating free-trade, anti-regulation, and anti-tax legislation that primarily benefits their major donors. They do this in several ways:

Manage Your Own Anti-Taxation Think Tank

A small but ardent set of dynastically wealthy billionaires have used their private wealth to create nonprofit research institutions with anti-tax or libertarian focuses, which in turn advance public policy agendas favorable to the wealthy. Several billionaires who would pursue the same goals, but who have set up their own think tanks, give their time and energy serving on the boards of others.

- As has already been well documented, Charles **Koch** may be the most prolific billionaire founder of nonprofit institutions that promote a wealth-building public policy agenda. Koch was one of the co-founders of the seminal Cato Institute⁷¹ and the founder of the Charles Koch Institute⁷², both libertarian public policy think tanks. He founded Citizens for a Sound Economy⁷³, an advocacy organization that helped to create the Tea Party movement, and that is now split into separate groups focused on anti-tax lobbying and funding political campaign ads.⁷⁴

Koch also founded the Bill of Rights Institute⁷⁵, a nonprofit that provides material for high school social studies classes across the country that, in the words of one expert, “cherry-picks the Constitution, history, and current events to hammer home its libertarian message that the owners of private property should be free to manage their wealth as they see fit.”⁷⁶

And to round out the influence portfolio, Koch’s foundation funds climate change denial organizations like the Mont Pelerin Society⁷⁷ and the Heartland Institute⁷⁸—groups

which work to defeat environmental protection policy, and thus strengthen the security and profitability of Koch's petroleum empire. According to Nancy MacLean, author of *Democracy in Chains*, Koch "has effectively taken over the Republican Party and turned it into a delivery vehicle for this project."⁷⁹

- Before his arrest in 2017 on domestic violence charges, **Marshall** family heir Preston Landon Marshall served on the board of the libertarian Cato Institute⁸⁰, Charles Koch's Bill of Rights Institute, and the Institute for Energy Research.⁸¹ The last of these is a nonprofit organization that uses discredited science to promote climate change denial, and works to defeat legislation aimed at supporting the use of renewable energy.⁸² Marshall's family, whose wealth is largely due to its partial ownership of Koch Industries, has a strong financial interest in suppressing any environmental regulation of the petroleum industry.⁸³
- Mayari Pritzker, wife of **Pritzker** heir Robert Pritzker and the president of the Robert and Mayari Pritzker Foundation, is a member of the National Council at the American Enterprise Institute⁸⁴, a nonprofit that works to promote elements of the conservative agenda such as regressive tax policies and the privatization of government services.
- Before he died in 2019, Charles **Koch**'s brother David served on the boards of two of his brother's think tanks: the Cato Institute and the Americans for Prosperity Foundation.⁸⁵ He was also on the board of the American Enterprise Institute⁸⁶ and was a trustee of, and major donor to, the Reason Foundation⁸⁷, an organization with strong ties to the petroleum industry that promotes climate change denial in public policy.

Give Big to the Libertarian Think Tanks of Others

- Before his death in 2014, Richard Mellon Scaife, an heir to the **Mellon** oil and banking fortune, was a long-time donor to the Heritage Foundation⁸⁸, a think tank with a long track record of promoting regressive anti-tax legislation. Over his lifetime, he personally donated an estimated \$23 million to the nonprofit, and eventually served as its vice chair.⁸⁹

Scaife also established several private foundations which were consolidated after his death into the Sarah Scaife Foundation, and which is now the fourth or fifth largest funder of nonprofits advocating for regressive taxation policies.⁹⁰ The Scaife Foundation currently has assets of over \$800 million, and its grantee list reads like a *Who's Who* of the nation's greatest advocates for regressive taxation and the preservation of corporate and personal wealth.⁹¹ In 2018 alone, the foundation gave \$1.4 million to the American Enterprise Institute, \$1.3 million to the Heritage Foundation, and smaller but still sizeable grants to libertarian organizations such as the Manhattan Institute⁹², the Tax Foundation⁹³, the Competitive Enterprise Institute⁹⁴, the Cato Institute, the Bill of Rights Institute, and the Mercatus Center.⁹⁵

- Elaine Tettemer **Marshall** is the daughter-in-law of J. Howard Marshall, a former business partner of Fred C. Koch. She inherited the bulk of the Marshall family's assets after the deaths of her husband and father-in-law, and has used that wealth to fund a number of anti-tax nonprofits. Specifically, Marshall is the president of the family's Marshall Heritage Foundation which, under her leadership, has given over \$15 million to libertarian and climate-denial think tanks over the past decade including the Kochs' Americans for Prosperity Foundation, the Mercatus Center, and the Institute for Energy Research.⁹⁶

As described above, Elaine's son Preston was also a board member of the Koch-founded Cato Institute and Bill of Rights Institute. Both mother and son attended a "secret event" hosted by the Koch brothers in 2010 organized to discuss "the threats to American enterprise" and "how to build on prosperity."⁹⁷

- In its granting, the **Walton** Family Foundation tends to favor environmental causes and the privatization of public schools. But it also directs considerable sums toward nonprofits that advocate for the regressive tax policies that would shore up the Walton family's sources of wealth. Over its lifetime, the foundation has given over \$4 million to the Hoover Institution⁹⁸, \$1.5 million to Britain's Center for Policy Studies⁹⁹, and smaller but significant amounts to Americans for Tax Reform¹⁰⁰, the Manhattan Institute, the Cato Institute, the Heritage Foundation, and the Heartland Institute.¹⁰¹
- Before she died in 2018, Caroline Rose **Hunt** was a major donor to the Heritage Foundation. She was listed in their 2017 annual report as an Associate—a club of donors who support the foundation with annual gifts of \$10,000 to \$25,000.¹⁰²

Funnel Dark Money to Political Organizations through Your Donor-Advised Fund

Because of the lack of transparency into giving from donor-advised funds (DAFs), there is no way to tell which organizations received DAF grants—or if recipients are even nonprofits at all. For this reason, as Jane Mayer outlined in her book *Dark Money*, DAFs can be used to funnel money into certain types of political advocacy organizations that are not required to disclose their donors, and which may receive unlimited donations from individuals and corporations.¹⁰³

These contributions may come from many DAF sponsors. But one in particular, Donors Trust, was set up intentionally as a pass-through funnel for libertarian donors who want to support organizations advocating for regressive, free-market economic policy. Although their current statement of principles¹⁰⁴ has been somewhat watered down, their original mission was clear: "to ensure the intent of donors who are dedicated to the ideals of limited government, personal responsibility, and free enterprise."¹⁰⁵

The Institute for Policy Studies examined the tax returns from the foundations of the dynastically wealthy families for 2016 to 2018 and found that for some, sometimes significant portions of their grants each year went to DAFs.¹⁰⁶ Examples include:

- The Charles **Koch** Foundation gave a total of \$7.8 million to national commercial donor-advised funds from 2016 to 2018.¹⁰⁷ During these three years, grants to DAFs accounted for a full 6 percent of the foundation's total grants to charity. The DAF donations primarily went to Donors Trust and the Fidelity Charitable Gift Fund; Fidelity received \$3.3 million from the foundation in 2016 alone.
- The Andrew W. **Mellon** Foundation gave a total of \$1.4 million from 2016 to 2018 to commercial DAFs, including \$1.3 million to the Fidelity Charitable Gift Fund and \$150,000 to the Vanguard Charitable Endowment.¹⁰⁸ These DAF grants made up half a percent of the total amount the foundation gave to charity over these three years; a not insignificant portion, given that the foundation's payout rate over that period was 5.1 percent, just above the 5 percent minimum required.¹⁰⁹
- Other families gave smaller amounts to donor-advised funds through their family foundations over the three years from 2016 to 2018, including:
 - Nearly \$700,000 in the form of matching gift contributions from the Robert Wood **Johnson** Foundation to various funds at Fidelity Charitable and Schwab Charitable¹¹⁰
 - \$200,000 from the **Marshall** family's Marshall Heritage Foundation to various funds at Donors Trust¹¹¹
 - \$50,000 from the **Du Pont** family's Marmot Foundation to a fund at the National Philanthropic Trust¹¹²
 - \$25,000 from the Sol **Goldman** Charitable Trust to a fund at Fidelity Charitable¹¹³
 - \$20,000 from the **Busch** family's August A. Busch III Charitable Trust to a fund at Fidelity Charitable¹¹⁴

The Dynasties That Might Have Been

Not all of those who had the potential to create multi-generational inherited-wealth dynasties did so. Some families saw their wealth diminish involuntarily, whether by tragedy, dysfunction, or division. As family business specialists observe, the castle often crumbles from within—as was the case with the descendants of J. Paul Getty¹¹⁵ and Cornelius Vanderbilt.¹¹⁶

But for others, it was the result of a purposeful decision not to pursue dynasty-building. There are many examples of entrepreneurs and inventors who chose a different path by boldly giving

away funds, broadly vesting ownership with others, choosing not to engage in aggressive tax avoidance, or deliberately not extracting as much as they could have in the first place. Some of these people simply did not aspire to dynastic succession, and others actively eschewed it. They may remain affluent or wealthy, but they do not have dynastic levels of wealth and power. From our vantage, theirs are the most interesting stories.

Those Who Gave It Away

The Annenberg Family. Walter H. Annenberg turned his father's company, Triangle Media, into an empire that included magazines like *TV Guide* and *Seventeen*¹¹⁷. By the time he died in 2002, at the age of 94, his personal wealth totaled \$8 billion. Walter left half his estate to be split between his wife, children, grandchildren, and employees; the other half went to the Annenberg Foundation, and his entire billion-dollar art collection went to New York's Metropolitan Museum of Art.¹¹⁸ Since Walter's death, Annenberg's tight-knit group of descendants has, in turn, given much of their time and wealth to the his foundation; his daughter Wallis is the chair, and three of his grandchildren sit on the board. The foundation currently has assets of almost \$1.5 billion and gives out well over a hundred million dollars each year in grants, including significant support for the Public Broadcasting Service and four schools of communication, public policy, and education at major universities across the country.¹¹⁹

Andrew Carnegie. The steel magnate was a proponent of progressive taxation, and supported "near 100%" inheritance taxes on large estates.¹²⁰ In his 1889 publication *The Gospel of Wealth*, he was also articulate and unapologetic about the dangers of passing on inherited wealth to children: he believed that the very wealthy have a moral obligation to give away their personal fortunes and that wealth beyond the basic needs of one's family should be considered a trust fund to be administered for the benefit of the wider community.¹²¹ Over his lifetime he gave away an estimated \$350 million, including \$55 million to build over 2,500 libraries. And by the time he died in 1919, he had used the bulk of his fortune, \$145 million, to endow five major philanthropic organizations including the Carnegie Corporation of New York and the Carnegie Endowment for International Peace.¹²²

Chuck Feeney. The Irish-born billionaire founded the Duty Free Shops and made millions and then billions as mass passenger aviation took off in the 1970s and 1980s. A major proponent of "giving while living," Feeney created the Atlantic Philanthropies and gave away over \$8 billion over three decades.¹²³ In a booklet about Atlantic's giving philosophy, "Zero is the Hero," Feeney said, "I see little reason to delay giving when so much good can be achieved through supporting worthwhile causes today. Besides, it's a lot more fun to give while you live than to give while you are dead."¹²⁴ Today, Feeney has just \$5 million left of his former \$8 billion fortune, and lives in a modest apartment in San Francisco, the exemplar of choosing timely giving over dynasty-building.¹²⁵

The **Ford** family, descendants of automobile tycoon Henry Ford, last made the *Forbes* Richest Families list in 2015, ranking number 129 with a family net worth of \$2 billion.¹²⁶ Since then, the

Fords' wealth has dropped off as family members have sold off, or given away, Class B shares in the Ford company.¹²⁷ Some of these shares are landing in trusts that may be meant for younger generations; the Ford family is in at least its 5th generation.¹²⁷ But at least part of the reason the family no longer ranks with the very wealthiest is because they poured money into the Ford Foundation, a charitable foundation established by Henry Ford and his son, Edsel, and led for thirty years by Henry's grandson, Henry Ford II.¹²⁸ For a long time, the foundation was the largest in the U.S., and still is close to the top with assets of over \$13 billion.¹²⁹

Those Who Invested in Others

Will Keith Kellogg. The inventor of Corn Flakes and founder of Kellogg's was a Seventh-Day Adventist who never felt comfortable in a millionaire's shoes. "I will invest my money in people," he said; "it is my hope that the property that kind Providence has brought me may be helpful to many others, and that I may be found a faithful servant."¹³⁰ He backed up his words and displayed his commitment to community during the Great Depression by shortening and rotating the cereal factory shifts to allow more of his employees to work.¹³¹ He also founded the W.K. Kellogg Foundation with \$66 million in company stock with the goal of promoting the "health, happiness, and well-being of children." Today, the foundation is one of the largest in the country and maintains its focus on ensuring equality of opportunity and quality of life for all children, regardless of race or income.¹³²

Milton S. Hershey. Milton Hershey founded the Hershey Company in 1900. It was the first company to supply milk chocolate inexpensively to a national market, and made him a very rich man. But with his wealth came a deep feeling of responsibility to the factory workers that had made it possible. Believing that better living conditions resulted in better workers, the childless Hershey poured much of his wealth into his Pennsylvania community, building an entire town for his employees that included public transportation, schools, tree-lined streets, theaters, a swimming pool, and an amusement park.¹³³ He and his wife also founded the Hershey Industrial School, a school for orphan boys, and when he died, he left the bulk of his wealth as well as all of his shares in the Hershey Company to the Milton Hershey School Trust Fund. Although the school itself has run into controversy since Hershey's death, his town and legacy of community support remain.¹³⁴

Judy Faulkner. The tech entrepreneur started Epic Systems in Wisconsin in 1979 and grew the medical records software company into a billion-dollar industry behemoth over the next three decades. Today, her personal net worth totals \$6 billion.¹³⁵ But Faulkner owns just 47 percent of Epic's shares, some of which she has split off into a trust, controlled by family members and Epic employees, that will be given to her private Roots & Wings foundation after her death. The remaining 53 percent of the company's shares are held by cofounders, investors, and employees.¹³⁶ Faulkner's three children will inherit none of her stock in Epic; Faulkner is a signatory of the Gates-Buffett Giving Pledge and has pledged to give away 99 percent of her wealth after her death, well over the simple majority required of signers.¹³⁷

Those Who Chose Not to Profit in the First Place

Craig Newmark. The founder of Craigslist could have made billions by allowing ads on his web listing service, but deliberately chose not to; Craigslist's current CEO, Jim Buckmaster has said that "maximizing profit" is "definitely not part of the equation."¹³⁸ Forbes has variously estimated Newmark's net worth in the hundreds of millions to just over a billion dollars in wealth, but he has called those estimates "bogus," saying that "by monetizing Craigslist the way I did in 1999, I probably gave away already 90 percent or more of my potential net worth."¹³⁹ Newmark is a major philanthropist; he has also set up his own umbrella foundation, Craig Newmark Philanthropies, to manage his charitable activities, and has given millions directly to a wide variety of charities from ProPublica and the Center for Public Integrity to the Feminist Majority Foundation and the Anti-Defamation League.¹⁴⁰

How to Prevent Hereditary Feudalism in America

Progressive tax policy is an essential tool in preventing the build-up of inherited wealth dynasties. Taxing dynastic wealth has the societal benefit of raising revenue from those with the greatest capacity to pay. But taxes on the very wealthy also help protect democracy from the "tyranny of a plutocracy" that worried President Theodore Roosevelt at the beginning of the last century.¹⁴¹ Today's massive concentrations of wealth and power are disruptive to democratic institutions, social cohesion, and economic stability for all.

Proposals Currently under Consideration

Greater Oversight and Enforcement. The oversight role of the Internal Revenue Service has been decimated over the last few decades, particularly in its ability to monitor complex trusts and tax loopholes. With the loss of over 18,000 staff since 2010, the IRS has lost some of its ability to follow the money and crack down on avoidance shenanigans of the very wealthy. Representative Ro Khanna (D-CA) has introduced the Stop Cheaters Act, legislation to strengthen enforcement of tax rules and crack down on tax dodging by the wealthy.¹⁴² President Biden has proposed investing \$80 billion over the next decade to rebuild IRS enforcement and oversight capacity aimed at wealthy tax filers.¹⁴³

Emergency Pandemic Wealth Tax. Taxing wealth to pay for Covid relief and economic recovery initiatives is only fair during a pandemic where lower income people and people of color have been hit hardest. In July 2020, several U.S. Senators introduced the Make Billionaires Pay Act¹⁴⁴ to levy a one-time 60 percent pandemic wealth tax on billionaire gains over 2020. By one estimate, this would have raised \$420 billion for health care provision.¹⁴⁵

Annual Wealth Tax. Senator Elizabeth Warren (D-MA) has proposed an annual wealth tax on households with wealth starting at \$50 million, roughly the 200,000 wealthiest households in the U.S. The 2 percent annual levy would increase to 3 percent on every dollar of net worth

above \$1 billion. The proposal would raise almost \$3 trillion over the next ten years. A tax that exempts 99.9 percent of taxpayers yet raises substantial revenue from billionaires is good politics and policy. While members of Congress might be divided over a wealth tax, polls over the last two years indicate wide public support for taxing the wealthy.¹⁴⁶

Millionaire Surtax. An annual tax on wealth will require a new set of implementation rules. In the meantime, Congress can move quickly to restore progressivity to the U.S. tax code, a system that has seen tax rates paid by billionaires erode over the last half century.¹⁴⁷ One easy to implement proposal is to institute a millionaire surtax: a 10 percent income tax surcharge on incomes over \$3 million, whether from capital or wages. This would raise \$660 billion over the next decade entirely from households in the top 0.1 percent.¹⁴⁸ And this would move us closer to a fairer system that eliminates the preferential tax treatment of income from capital over income from wages and work.

Progressive Estate Tax. The federal estate tax was established in 1916 with an explicit goal of slowing the concentration of dynastic wealth and power. During the decades prior to 1970, the estate tax was quite progressive and robust, keeping extreme levels of wealth concentration and dynastic succession in check. But over the last half-century, the estate tax has become more porous and weakly enforced, creating considerable opportunities for avoidance. Senator Bernie Sanders (I-VT) and Representative Jimmy Gomez (D-CA) have introduced legislation to strengthen the federal estate tax and aggressively close down some of the avoidance mechanisms. The For the 99.5 Percent Act would insert a graduated rate structure to the estate tax, with billion-dollar estates paying a higher rate than \$20 million dollar estates.¹⁴⁹

Inheritance Tax on Heirs. In aggressive efforts to avoid the estate tax, a lot of money has been shifted to dynasty trusts and other mechanisms outside the reach of estate taxation. Adding an inheritance tax on recipients would capture and tax wealth when it leaves dynasty trusts and it flows to recipient heirs. A targeted and progressive inheritance tax would not eliminate dynasty trusts, but it would limit dynastic flows to next generations.

State Level Estate and Wealth Taxes. Prior to the creation of the federal estate tax in 1916, states had state-level inheritance and estate taxes. New proposals are now being considered at the state level to address wealth inequalities. Several states, including California and Washington, have legislation pending to institute a wealth tax and make their state estate taxes more progressive, with higher rates on billionaires.¹⁵⁰

Further Actions to Close Down the Hidden Wealth Protection System

None of these proposals will succeed unless the U.S. shuts down the tax loopholes, offshore tax havens, and dynasty trusts that enable the very wealthy to hide their wealth at a dizzying pace.¹⁵¹ Congress made an important first step in December 2020 with the bipartisan passage of the Corporate Transparency Act, legislation requiring corporations to disclose their beneficial

owners to an arm of the Treasury Department. Pressure from around the country led to Delaware's attorney general finally ending the state's opposition to such legislation.

Unfortunately, trusts and partnerships are exempt from the law, creating a glaring loophole the wealth defense industry will exploit. Below are further actions that could be used to prevent the warehousing of dynastic wealth.

Establish a Federal Rule Against Perpetuities. To close down dynasty trusts, William and Mary Law School professor Eric Kades calls for a federal rule to limit the lifespan of trusts — what he calls the National Anti-Feudalism Act. A federal restoration of the Rule Against Perpetuities would undercut the race between states in watering down their standards. It would create a limited lifespan for trusts. Trusts would not disappear, but the ability to sequester wealth for centuries would be curtailed.¹⁵²

Outlaw Certain Types of Trusts. Lawmakers must plug loopholes that use trusts as tax avoidance vehicles. Senator Sanders' estate tax reform legislation would be a huge step in the right direction. One provision of Sanders' bill would end tax breaks for dynasty trusts and other sophisticated wealth hiding provisions. And the bill would further:

- Strengthen the generation-skipping tax, which is designed to prevent avoidance of estate and gift taxes, by applying it with no exclusion to any trust set up to last more than 50 years.
- Prevent abuses of grantor retained annuity trusts (GRATs) by barring donors from taking assets back from these trusts just a couple of years after establishing them. This is a way for the wealthy to avoid gift taxes, while still leaving the assets to their heirs tax-free. The lawyer who invented this technique for the Walton family claims it has cost the Treasury \$100 billion since 2000 — a grotesque understatement.¹⁵³
- Prevent wealthy families from avoiding gifts taxes by paying income taxes on earnings generated by assets in grantor trusts.
- Limit the annual exclusion from the gift tax — which was meant to shield normal giving done around holidays and birthdays from tax and recordkeeping requirements — for gifts made to trusts.

The Sanders bill would also close other common loopholes used by estate planners called “valuation discounts,” restrictions placed on interests in family businesses that are claimed, falsely, to reduce the value of the estate. This is another tax-reducing tactic which involves claiming that the value of an inherited asset is lower, for estate tax purposes, than what is claimed for income tax purposes to calculate gains when the asset is sold.

Administrative Actions. If Congress fails to act, the executive branch should dust off regulations first proposed in 2015 to address the valuation discounts described above, as well as take additional action to limit the use of trusts that are ripe for abuse, such as intentionally defective grantor trusts (IDGTs) and GRATs.¹⁵⁴

Conclusion: Billionaire Dynasties or Defended Democracy?

Even before the pandemic began, growing inequality in income, wealth, and opportunity posed considerable perils to our economy, democracy, and civic life. As wealth has become concentrated in fewer hands, dynastically wealthy families have gained massive and unaccountable financial, political, and philanthropic power. They are stockpiling ever more billions in bank accounts, trusts, private foundations, and donor-advised funds while giving relatively little back to the society that has enabled their fortunes. And, all the while, the assets and income of low- and middle-income households have continued to stagnate.

It is too early to take the full measure of the effects of the COVID-19 pandemic, both on our society at large and on the charitable sector in particular. But, so far, it appears to be adding fuel to these existing trends.

By placing vast family fortunes into perpetual institutions such as shell corporations, dynasty trusts, and private foundations, the benefits of wealth become entrenched, passed down from generation to generation. And that hereditary wealth—corporate, personal, and philanthropic—can be used to further preserve and accelerate imbalances of power and influence.

These trends are alarming for the health of a republic that aspires to widely held prosperity and opportunity. If we stay on our current trajectory, the sons and daughters of today's first-generation billionaires will become the dynasties of the future. If we choose to continue along this path, families of inherited wealth will exert ever more control over public policy and the public pocketbook. But we can choose to move in a new direction: to enact economic policies that strengthen society as a whole, ensuring equal opportunity and dignity for all, not just the very few.

Appendix I: Report Methodology

In December 2020, the *Forbes* Wealth Team published a ranking of the fifty wealthiest families in the United States.¹⁵⁵ We have used *Forbes*' 2020 list as the foundation for the analysis that follows. The fact that just fifty families in our country have amassed combined assets of \$1.2 trillion deserved further exploration—especially because it comes at a time so many other families are struggling to pay for housing, food, and medical care in the midst of a global pandemic.

In several places throughout this report, we have compared *Forbes*' 2020 asset figures to those of the members of the same families who were on the *Forbes* 400 list in 1983.¹⁵⁶ 1983 was the first year that *Forbes* used the same methodology for ranking the wealthiest individuals in the United States that they use today, so it is the earliest reliable data we have on people with wealth of this scale. Being able to chart the growth of the wealth of these families across nearly four decades provides important context for the staying power and scale of dynastic wealth.

For our data on charitable foundations, we used the Wealth-X data research site to identify as many private family foundations as possible that have been established and governed by family members of the *Forbes* dynastically wealthy families. We then verified foundation governance and determined assets and payout using the foundations' publicly-available IRS tax form 990PFs from ProPublica, CauseIQ, and Open990.org. Because corporate foundations are not always closely managed by family members, we have not included corporate foundations in our asset figures.

Appendix II: The Top 50 Dynastic Families in Depth

Early 19th Century Dynasties

If you went back more than a century in a time machine, many of the names of today's billionaires would still be recognizable—a testament to the staying power of dynastic wealth.

- America's most enduring wealth dynasty is the **Du Pont** family, founded by gunpowder maker Éleuthère Irénée du Pont in 1802. Seven generations later, there are an estimated 3,000 DuPont descendants. It would be impossible to estimate the wealth of all these family members, but we do know that in 1983, those on the *Forbes* 400 had a combined \$9.2 billion in 2020 dollars. In 2021, that wealth has increased to \$16 billion.¹⁵⁷
- When brewer Eberhard Anheuser died in 1857, his son-in-law Adolphus **Busch** took over his company. Busch instituted several innovations including pasteurization, refrigerated trucks, and mass-scale bottling, but his legacy wasn't truly sealed until he developed a new beer, Budweiser, modeled after the pilsner beers becoming increasingly popular in Europe.¹⁵⁸ Busch's descendants have had setbacks: prohibition

nearly drove the company out of business; the family lost the company in a hostile takeover by InBev in 2008; and there have been inter-family quarrels and brushes with the law.¹⁵⁹ In spite of it all, the Busch family is still worth an estimated \$17.6 billion.¹⁶⁰

- Cargill, the company behind the **Cargill-MacMillan** family fortune, was founded as a grain storage business by W.W. Cargill in 1865.¹⁶¹ Today, the Iowa-born business is America's second-largest private company, with activities in food sales, commodities, and financial risk management.¹⁶² About 90 members of the Cargill-MacMillan clan own 88% of the family company; and of those 90, 8 are billionaires. The family's net worth today totals \$47 billion.¹⁶³

Late 19th Century Gilded Age Dynasties

Families that made fortunes during the rapid industrial expansion of the Gilded Age of the late 1800s benefited by doing so in an era without a federal income or estate tax.

- The Pennsylvania-based **Mellon** family traces their roots back to Irish immigrant Thomas Mellon, who arrived in the U.S. as a child in 1818. Thomas founded Mellon Bank in 1869, and through his bank and other investments, amassed a small fortune. His son Andrew, whom *Forbes* describes as a "turn-of-the-century venture capitalist," grew the family wealth with investments in industry and oil, and went on to serve as U.S. Secretary of the Treasury under three presidents.¹⁶⁴ Today's Mellons manage a net worth of \$11.5 billion.¹⁶⁵
- Heirs to one of America's most recognizable surnames, the **Rockefellers** owe their fortune to Standard Oil, founded in 1870 by John D. Rockefeller¹⁶⁶. Rockefeller pioneered the art of wealth preservation, founding the first modern family office to manage and preserve his assets for future generations.¹⁶⁶ But Rockefeller and his family were also committed philanthropists: Rockefeller himself gave away over \$500 million. His descendants now manage one of the largest grantmaking foundations in the U.S.; and his late grandson David Rockefeller was one of only four dynastically wealthy family members to sign the Gates-Buffett Giving Pledge.¹⁶⁷ In spite of their largesse, today's Rockefellers, now in their sixth generation, hold a family net worth of \$8.4 billion.¹⁶⁸
- Henry **Phipps**, Jr., was a childhood friend of Andrew Carnegie. When both were adults, Carnegie gave Phipps a partnership in Carnegie Steel and a hefty ownership stake in the company, which made him a fortune.¹⁶⁹ Like Rockefeller, Phipps established a family office in 1900 to manage his family's wealth. That office, the Bessemer Trust, today manages over \$100 billion for 2,500 family members and clients—including serving as trustee for over 1,100 trusts, responsible for potentially billions of unmeasured dollars.¹⁷⁰ The Phipps family itself is currently worth \$8.6 billion.¹⁷¹

- The **Brown** family's wealth—an estimated \$20.4 billion—is based in Brown-Forman, one of the world's most successful spirits corporations.¹⁷² George Garvin Brown founded the company in 1870 with his accountant George Forman as a simple Kentucky whiskey distillery, but it expanded rapidly when Brown began bottling the whiskey so that it could be transported long distances without affecting the taste.¹⁷³ The Brown family still owns a substantial majority stake in the company, and the board is chaired by fifth-generation descendant George Garvin Brown IV; over their long history they have bought up a number of other distilleries and now own many of the world's largest liquor brands, including Jack Daniel's and Finlandia.¹⁷⁴
- The Kohler Company was founded by John Michael **Kohler** in 1873 to make steel and cast-iron products such as castings, plows, and cemetery memorials. In 1883 John added enamel to a cast-iron livestock water trough and sold it as a bathtub, and ever since the company has been known for its plumbing equipment.¹⁷⁵ John's grandson Herbert Kohler, Jr. is now the chairman of the company, and Herbert's son David is the CEO. Together, the family is worth more than \$11 billion.¹⁷⁶
- Perhaps best known for their namesake Scripps National Spelling Bee, the **Scripps** family fortune finds its roots in patriarch Edward Willis, who “borrowed \$10,000 at age 24 to start Penny Press in Cleveland in 1878,” according to *Forbes*. The E.W. Scripps Company, which is overseen by a family trust, now owns about 60 news stations and provides today's Scripps family with a cozy \$8.4 billion in assets.¹⁷⁷
- The Robert Wood **Johnson** family—lately of Johnson & Johnson COVID vaccine fame—planted their dynastic roots in 1886, when patriarch Robert Wood Johnson I founded a health products company. Johnson's son, Robert Wood Johnson II, took the company global in 1932 and, upon his death, left much of his wealth to the Robert Wood Johnson Foundation.¹⁷⁸ The heirs today hold a net worth of \$10.7 billion.
- S.C. **Johnson** bought a flooring company in 1886, but it was the line of floor-care products he developed that made him his real money; within two years, the profits from his waxes had outstripped those from the flooring itself.¹⁷⁹ The SC Johnson company, which now owns popular brands like Glade, Pledge, and Windex, is still privately owned and family-run: three of S.C. Johnson's descendants are on the board, and S.C. Johnson's great-great-great grandson, H. Fisk Johnson, is chairman and CEO. The family is worth a combined \$37 billion.¹⁸⁰
- Newspaper mogul William Randolph **Hearst**, reportedly the inspiration for the main character in *Citizen Kane* and known more recently as a target of newsboys' ire in the Broadway musical *Newsies*, acquired the *San Francisco Examiner* in 1887 at the age of 24. Over the next century, his news empire grew into today's Hearst Corporation, which owns over 360 business and is chaired by grandson William Randolph Hearst III. The Hearst family fortune today totals a net worth of \$21 billion.¹⁸¹

- Bechtel Corporation, the **Bechtel** family's engineering and construction company, was founded in 1889 by patriarch Warren Bechtel.¹⁸² Family-run for five generations, Bechtel is known today for building landmarks like the Hoover Dam and the Channel Tunnel, as well as a "sarcophagus" used to contain the nuclear reactor destroyed in the Chernobyl disaster.¹⁸³ The Bechtel family net worth totals \$8.3 billion.
- James M. **Cox** founded the Cox Enterprises media company in 1898 with the purchase of the *Dayton Evening News* in Dayton, Ohio.¹⁸⁴ Now four generations deep, the Cox family still owns and operates James M.'s business: grandson Jim Kennedy is the chair of the company's board, and great-grandson Alex C. Taylor is the company's president and CEO. Their total family net worth, as of December 2020, is \$34.5 billion.¹⁸⁵
- John Barbey kicked off the Barbey family fortune in Pennsylvania in 1899. What started then as the Reading Glove and Mitten Manufacturing Co. is today the apparel retailer VF Corp, better known by its brand names which include Vans, The North Face, and Timberland.¹⁸⁶ The current generation of Barbeyes no longer run the company but do still own 17% of it, which garners them a tidy net worth of \$7.3 billion.¹⁸⁷

Pre-War 20th Century Dynasties

The early 20th century saw Americans demanding a wider range of pre-packaged, readily-available consumer goods—and an oil and trucking boom as businesses rushed to provide it all.

- Florence **Butt** opened a small grocery store in Texas in 1905; she passed it on to her son and grandsons, who expanded it into the H-E-B Grocery chain, eventually giving the family a net worth of \$17.8 billion.¹⁸⁸ H-E-B's current CEO is Florence's grandson Charles Butt, who has built a well-earned reputation as a philanthropist. Under his leadership, the company has maintained a long-standing policy of donating 5% of pre-tax earnings to charity, and has given at least an additional \$160 million to Texas public schools, hurricane relief, and coronavirus aid.¹⁸⁹ Charles is also one of only four members of *Forbes'* dynastic families to have signed Bill Gates and Warren Buffet's Giving Pledge.¹⁹⁰
- In 1905, pig iron salesman William **Pigott** founded a company to make horse-drawn railroad equipment and logging trucks.¹⁹¹ As technology evolved, Pigott's company expanded to build medium- and heavy-duty trucks, structural steel, and even tanks.¹⁹² Today, the company has become the behemoth global truck producer PACCAR, which owns major truck brands including Kenworth and Peterbilt. Fourth-generation descendant Mark Piggott and his brother John still sit on the company board and control a portion of company stock.¹⁹³ The family as a whole is worth a combined \$10.1 billion.¹⁹⁴
- The **Mars** family dynasty began in 1911 when Franklin and Ethel Mars opened a confectionary company called the Mars Candy Factory.¹⁹⁵ They introduced several candy

bars during the 1920s and 1930s that became national best-sellers, including Milky Way, Snickers, and 3 Musketeers. The Mars family has kept their company close: it is now run by fourth-generation descendants of Franklin and Ethel. And they invest a disproportionate amount of money in politics: Mars, Inc., regularly spends one to two million dollars each year on self-interested lobbying efforts primarily related to agriculture, trade, and tax policy.¹⁹⁶ These strategies have helped the Mars clan hold the post of third-wealthiest family in the country, with a total net worth of \$94 billion.¹⁹⁷

- The **Smith** family traces their wealth back to Byron Smith, a banker in Chicago who founded wealth management company Northern Trust in 1889 and cofounded tool maker Illinois Tool Works in 1912. Both companies still exist today, and the family is now in at least their fifth generation with a net worth of \$11.3 billion.¹⁹⁸
- Henry **Crown** founded Material Service Corporation, a stone and gravel company, in 1919, just after World War I. When the company later merged with General Dynamics, Henry got a big stake in America's largest defense contractor.¹⁹⁹ After Henry's death, his son Lester diversified into hotels, banks, sports teams, and a set of ski resorts in Colorado. Lester's reputation, already tarnished by reputed connections to the Chicago mob, was further sullied when he became embroiled in a bribery scandal involving several Illinois politicians.²⁰⁰ The family has nevertheless managed to hold on to their wealth and is worth an estimated \$10.2 billion today.²⁰¹
- The Campbells Soup Company was originally started by a fruit merchant and an icebox manufacturer to preserve a variety of foods: vegetables, fruits, condiments, and meats.²⁰² But it became laser-focused on soup when John T. **Dorrance** became president in 1914. Dorrance, an MIT chemist, invented a method of condensing soup which reduced the product's weight and thus its transportation costs, slashing the price of a can by two-thirds.²⁰³ The company then tightened its control over every aspect of production by instituting the "scientific management" methods popular at the time, increasing hours, reducing wages, and downgrading working conditions.²⁰⁴ It also began a fierce battle against employee unionization that has lasted to this day.²⁰⁵ The Dorrance family still owns a substantial minority stake in the company and is together worth \$15 billion.²⁰⁶
- According to **Durst** family lore, patriarch Joseph Durst immigrated from Poland in 1903 with \$3 in his pocket.²⁰⁷ He used the profits he earned as a tailor to invest in real estate, purchasing his first office building in 1915.²⁰⁸ Over the succeeding decades, Joseph's real estate company, the Durst Organization, bought up a series of buildings, skyscrapers, and eventually entire city blocks in Manhattan. Joseph's grandson Douglas now runs the Durst Organization, which owns an estimated 16 million square feet of real estate in New York and Pennsylvania, and the Durst family is worth a combined \$8.1 billion.²⁰⁹
- The **Newhouse** family derives their fortune from Advance Publications, a publishing company started by patriarch Sam Newhouse in 1922. Today, Sam's heirs have

expanded the business to include Conde Nast Publications, Discovery Communications, and Reddit. The family's total net worth is \$30 billion.²¹⁰

- Idahoan J.R. **Simplot** dropped out of school in 1923 when he was in 8th grade and, after a series of odd jobs, went on to make his fortune in potatoes.²¹¹ In the 1940s, Simplot's J.R. Simplot Company made the "first commercially viable frozen French fries," an innovation which helped the company become the exclusive fry supplier to McDonald's.²¹² Today's Simplots have expanded the company into mining and fertilizers; they hold a net worth of \$7.7 billion.²¹²
- The **Ziff** family's wealth came from publishing company Ziff-Davis, founded by William Bernard Ziff, Sr. in 1927. After William Sr.'s son, William Jr., sold Ziff-Davis in 1994, William Sr.'s three grandsons, Dirk, Robert, and Daniel, used the proceeds to set up their own hedge fund, Och-Davis, and their own family office, Ziff Brothers Investments—both of which have kept the family fortune spry at a total of \$15 billion.²¹³
- John Willard **Marriott** founded Marriott International in 1927 as a root beer stand; it took him thirty years before he branched out into hotels. Today Marriott International is a worldwide chain with hotels in over 130 countries. John's son Bill took over as president of the company in 1964 and held that position for forty years; he still serves as chairman of the board. The Marriott family is currently worth over \$10 billion, the vast majority of which is owned by Bill and his brother Richard.²¹⁴
- George W. **Jenkins** founded Publix Super Markets in 1930. Today, the company is one of the largest supermarket chains in the country, with over 1,200 outlets across the southeast.²¹⁵ From the start, Jenkins gave his employees a stake in the company; today, the Jenkins family owns approximately 20% of the company shares while past and present employees own the rest, making Publix the largest employee-owned company in the country.²¹⁶ George's descendants are together worth \$8.8 billion.²¹⁵
- The story of the **Gallo** family is one of ambition born out of tragedy. After their father killed their mother and himself in 1933, brothers Ernest and Julio used what inheritance was left to them to open a winery.²¹⁷ They used rock-bottom pricing and aggressive marketing to make their company the largest winemaker in the world; today, one out of every four bottles of wine sold in the U.S. is made by Gallo.²¹⁸ Before the brothers died, they spent a considerable portion of their profits lobbying for legislation financially advantageous to themselves. This included a change to the inheritance tax that saved their family millions, and which they financed so heartily that Bob Dole called it "the Gallo wine amendment."²¹⁹ Due at least in part to these efforts, the Gallo family is worth a combined \$12.4 million today.²²⁰

- H.L. **Hunt**, Jr. used his winnings at poker to buy oil leases in the East Texas Oil Fields.²²¹ Hunt Oil, the company Hunt founded in 1934 to drill those fields, made him a very wealthy man. The youngest of his fifteen children, Ray Lee, took over Hunt Oil after his father retired, and was reportedly the inspiration for “Dallas” character J.R. Ewing.²²³ Another son, Lamar, was one of the founders of both the American Football League and Major League Soccer.²²² Hunt family members today are still very much involved in both sports and oil, and are worth more than \$15 billion.²²³
- In 1940, chemical engineer Fred C. **Koch** founded Koch Industries to sell a technology that he had developed—or, arguably, knocked off from another company—for refining heavy crude.²²⁴ It was a boom time for oil, and Fred’s business grew fast. When he died in 1967, a power struggle ensued among his four sons; brothers Charles and the late David Koch wound up with control over the company and steered it with uncompromising skill. Koch Industries is currently the world’s largest private company, having taken over the top spot from Cargill in 2020, and the Koch family is the second-wealthiest in the U.S with a combined net worth of \$100 billion.^{225,226}
- The wealth of the **Marshall** family is inextricably linked to that of the Koch family. Patriarch J. Howard Marshall II was a partner of Fred C. Koch, and had a significant ownership stake in Koch’s company, Koch Industries. The family was fraught with controversy: Marshall wrote one son out of his will, forcing him into bankruptcy; another son’s family was billed by the IRS for \$100 million in unpaid taxes; and when Marshall married *Playboy* model Anna Nicole Smith late in life, the family hurriedly diverted much of their wealth into trusts to block Smith from getting it.²²⁷ In spite of it all, the Marshall’s family wealth is still over \$18.5 billion.²²⁸
- After starting out as a cattle trader, Sid W. Richardson struck it big in the West Texas oil fields in 1919.²²⁹ Upon his death in 1959, Richardson, a lifelong bachelor, left his millions to his nephew, Perry Richardson **Bass**, and his nephew’s four sons.²³⁰ The Bass family turned millions into billions through a series of savvy investments in the 1980s and the sale of oil and gas licenses to Exxon Mobil in 2017. Perry Bass passed away at age 91 in 2006; his sons hold a net worth today of \$10.8 billion.²³¹
- In 1941, Michigan surgeon Dr. Homer **Stryker** founded a company to produce several of the medical devices he invented, including the mobile hospital bed.²³² Stryker Corporation has since expanded to produce a wide variety of medical equipment from surgical tools to bone grafts, replacement joints, and spinal implants, providing the Stryker family descendants with a combined total of \$11.1 billion in assets.²³³

Post-War 20th Century Dynasties

The prosperous decades that followed World War II allowed a number of families to establish new businesses across the economic spectrum—from finance and real estate, to travel and retail.

- The **Shoen** family's \$9 billion in wealth comes from their ownership of Amerco, the parent company of U-Haul.²³⁴ Founded in 1945 by Leonard and Anna Mary Shoen, Amerco had forty years of smooth operation, then ran into trouble when the couple's twelve children came of management age. In 1986, their son Joe staged a coup, forcing his father to resign as CEO and sparking a heated family feud.²³⁵ Things got so bad that a brawl erupted at one shareholder meeting in which Joe and his brother Mark physically "pummeled" their brother Michael.²³⁶ And when brother Sam's wife Eva was killed in 1990, their father accused Joe and Mark of being involved in the murder (they weren't). One sibling after another filed lawsuits against the others, and the litigation lasted for 25 years. Today, Joe remains the CEO of Amerco with his brother Mark serving as vice president, and each owns a fifth of the family corporation.²³⁷
- When former housing-project resident Truett **Cathy** opened a small diner in Hapeville, Georgia, just after the end of World War II, he may not have predicted that it would become a multi-billion-dollar restaurant chain.²³⁸ That chain, Chick-fil-A, now has more than 2,500 outlets in the U.S. and has earned the Cathy family a net worth of \$14.2 billion.²³⁹ Truett's sons, Dan and Bubba, now run the company as CEO and executive vice president, respectively.
- In 1946, Estée **Lauder** started a cosmetics company to sell a "velvety" skin cream that her uncle taught her how to make.²⁴⁰ Recognizing a market need for an inexpensive perfume that women could afford to wear every day, Lauder then created Youth-Dew, a bath oil that "took the fragrance industry by storm" and transformed her small company into a multinational success.²⁴¹ Her children and grandchildren inherited her wealth—with her son, Leonard, getting the largest share—and continue to be fully involved in the business. They are collectively worth more than \$40 billion.²⁴²
- Three generations of the **Edward C. Johnson** family have captained mutual fund giant Fidelity Investments since it was established in 1946: first its founder, Edward Johnson II; his son, Edward III; and now his granddaughter, Abigail.²⁴³ They have turned Fidelity into the second-largest mutual fund company in the world, with annual revenue of \$20.9 billion²⁴⁴, and have accumulated \$36 billion in family net worth.²⁴⁵ They have also made deep inroads into the charitable sphere; Fidelity Investments manages the assets of the largest commercial donor-advised fund in the country, the Fidelity Charitable Gift Fund, which held \$31 billion in 2018, and which has been the largest single recipient of charitable contributions in the U.S. since 2016.²⁴⁶

- The members of the **Rollins** family owe their fortune to brothers John and O. Wayne Rollins, who together founded Rollins, Inc. in 1948.²⁴⁸ Originally a broadcasting company with several small radio and television stations in its stable, Rollins, Inc. acquired pest control company Orkin in 1964, and the Rollins family fortune took off.²⁴⁷ Today, the Rollins heirs hold a net worth of \$13.1 billion.²⁴⁸
- **Sam Walton**, with help from his father-in-law, bought his first variety store in Bentonville, Arkansas in 1950.²⁴⁹ Recognizing a lucrative market opportunity for one-stop stores in small towns where competition was scarce, Walton used smart logistics and discount pricing to transform his single store into a chain of Wal-Mart Discount City stores, and then into the international retailing giant Walmart—currently the largest company in the world.²⁵⁰ Through a series of tax-advantaged vehicles and charitable trusts, he passed the vast bulk of his corporate fortune largely tax-free²⁵¹ to his three living children, who now are among the wealthiest people in the world; Sam Walton's descendants together top the *Forbes* Billion-Dollar Dynasties list with an estimated net worth of \$247 billion.²⁵²
- The **Goldman** family's real estate empire was started when Sol Goldman began buying up foreclosed properties in the 1950s with his brother Irving. By the late 1970s, Sol's real estate company, Solil Management, had become New York City's largest private landlord and its third-largest property owner after the New York Archdiocese and the city itself.²⁵³ Sol died in 1987 but his business is still run by his children and owns more than 700 properties across New York and Pennsylvania; his descendants are worth a combined \$13.2 billion.²⁵⁴
- Three pioneers in psychiatric medicine—Arthur, Mortimer, and Raymond **Sackler**—bought a small pharmaceutical company in 1952 and built it into the behemoth Purdue Pharma. For years, as their cornerstone drug OxyContin perpetuated an escalating opioid epidemic, the family covered up their involvement²⁵⁵ and funneled profits into sheltered trusts.²⁵⁶ Purdue Pharma paid out billions in legal settlements and was eventually forced into bankruptcy²⁵⁷ in March 2021, but the Sackler family is still worth an estimated \$10.8 billion today.²⁵⁸
- **Charles B. Johnson** began working at his father Rupert's mutual fund company, Franklin Resources, after he graduated from college in 1954.²⁵⁹ By 1957, when Charles was just 24 years old, he became Franklin's CEO. Charles stayed in that position for the next 56 years, and the assets of the company increased from \$2.5 million to \$800 billion under his watch. When Charles retired in 2013, the CEO position was passed first to his son, Greg, and then to his daughter, Jennifer, who still holds it today. Together, Charles and his children are worth a combined \$8.6 billion.²⁶⁰
- Jay **Pritzker** bought the Hyatt House motel in Los Angeles in 1957 and in just over a decade built it into a huge hotel chain. The oft-feuding²⁶¹ Pritzker family put the

company through a number of transformations: they took it public in 1962; split it in two in the 1980s to manage U.S. and international interests separately; bought back both pieces and re-consolidated them as the single private Hyatt Hotels Corporation in 2004; and took the company public again in 2009.²⁶² In the end, the Pritzkers wound up with a sizeable stake in the public company and a combined net worth of \$32.5 billion.²⁶³

- In 1957, Jack Crawford **Taylor** set up a car leasing operation at the Cadillac dealership where he worked.²⁶⁴ Taylor's small leasing business grew into Enterprise-Rent-A-Car, which made *Forbes* magazine's list of the largest private companies in America in 2008 after its acquisition of National Car Rental and Alamo Rent a Car.²⁶⁵ The combined company, Enterprise Holdings, now has the largest fleet of rental cars and trucks in the world.²⁶⁶ Together, Taylor's descendants are worth \$7.8 billion, and the company has stayed in family hands: Taylor's granddaughter Chrissy is now the company's CEO.²⁶⁷
- The **Gore** family stumbled into fame when Bob, son of W.L. Gore & Associates founders Genevieve and Bill, "accidentally discovered" the waterproof fabric that would become Gore-Tex.²⁶⁸ The family business that began in 1958 pads the Gore heirs with a net worth of \$8.2 billion today.²⁶⁸
- Dan **Duncan** founded Enterprise Products Partners in 1968 as a provider of pipelines and storage facilities for oil and natural gas. Enterprise acquired a number of smaller companies during the economic downturn of the 1990s, eventually becoming one of the largest pipeline operators in the U.S.²⁶⁹ After lobbying hard against inheritance taxes all his life, Duncan died in 2010 during a one-year lapse in the estate tax, allowing his children to inherit his entire estate—estimated at \$9 billion at the time—completely tax free.²⁷⁰ The Duncan family is now worth an estimated \$22 billion.²⁷¹
- Doris and Don **Fisher** co-founded The Gap clothing stores in 1969 and gradually built the company into an international retailing giant. Don died in 2009, but Doris and their three sons all sit on the board and are, together, the largest shareholders of the company.²⁷² In spite of plummeting sales in 2019, the Fisher family is still worth an estimated \$8.9 billion.²⁷³
- B. Wayne **Hughes** made his first fortune by founding Public Storage, now the largest self-storage company in the U.S., in 1972. After analyzing the housing market crash of the mid-2000s, he started another company, American Homes 4 Rent, which buys up foreclosed homes and then rents them out. Both of Hughes' ventures made out big during the pandemic-related economic downturn of 2020 as it became harder for families to afford homes and needed somewhere to store their accumulated goods.²⁷⁴ Hughes has used various tax-advantaged trusts and generation-skipping gifting to transfer almost all his stock²⁷⁵ in Public Storage to his children and grandchildren; combined, Hughes and his descendants are now worth an estimated \$10.2 billion.²⁷⁶

- Reyes Holdings began in 1974 when Chris and Jude **Reyes** bought a small Schlitz distribution company with help from their father.²⁷⁷ They aggressively brought more and more brands under their umbrella and today are the largest beer distributor²⁷⁸ and McDonald's distributor²⁷⁹ in the country, and one of the largest distributors for Coca-Cola²⁸⁰ as well. The company is tightly held, with Chris and Jude running it as co-chairs, their brother Duke serving as CEO, and their other six siblings sharing in either management or ownership—all of which has earned the family a combined net worth of \$12 billion.²⁸¹
- A relatively new addition to the list of wealth dynasties, the **Chao** family fortune began with patriarch T.T. Chao. Originally from Taiwan, Chao moved to the U.S. with his family in 1985 and started Westlake Chemical Corp. that same year. The company is the second-largest PVC producer in the world and one of the largest producers of low-density polyethylene, a substance used in packaging, in the U.S.²⁸² T.T. Chao passed away in 2008, leaving his family with the company and a total net worth of \$8.6 billion.²⁸²

Dynasties of the Future

For the last four decades, we've witnessed a steady updraft of income and wealth to the richest 0.1 percent of households. The wealthiest families in the U.S. are deploying their professional "wealth defense industry" to sequester hundreds of billions in wealth and placing it into dynasty trusts and other vehicles beyond the reach of taxation and accountability.

If we remain on our current trajectory, today's individual billionaires will be tomorrow's wealth dynasties. With over 700 U.S. billionaires in 2021, up from 15 billionaires in 1983, this will lead to further concentrations and wealth and power. Two decades from now, the sons and daughters of today's billionaires will exercise considerable power in our society by dominating our politics, culture, economy, and philanthropy.

Appendix III: Data Tables

The Families on the *Forbes* Billion-Dollar Dynasties List (2020)

Family	Rank on <i>Forbes</i> Billion-Dollar Dynasties List (2020)	Source of Wealth	Family Wealth in 2020
Walton Family	1	Walmart	\$247,000,000,000
Koch Family	2	Diversified	\$100,000,000,000
Mars Family	3	Candy	\$94,000,000,000
Cargill-MacMillan Family	4	Cargill Inc.	\$47,000,000,000
Lauder Family	5	Estee Lauder	\$40,000,000,000
(S.C.) Johnson Family	6	Cleaning Products	\$37,000,000,000
(Edward) Johnson Family	7	Money Management	\$36,000,000,000
Cox Family	8	Media	\$34,500,000,000
Pritzker Family	9	Hotels, Investments	\$32,500,000,000
Newhouse Family	10	Magazines, Newspapers	\$30,000,000,000
Duncan Family	11	Pipelines	\$22,000,000,000
Hearst Family	12	Hearst Corp.	\$21,000,000,000
Brown Family	13	Liquor	\$20,400,000,000
Marshall Family	14	Diversified	\$18,500,000,000
Butt Family	15	Supermarkets	\$17,800,000,000
Busch Family	16	Anheuser-Busch	\$17,600,000,000
Du Pont Family	17	DuPont	\$16,000,000,000
Hunt Family	18	Oil	\$15,500,000,000
Dorrance Family	19	Campbell Soup Co.	\$15,000,000,000
Ziff Family	20	Publishing	\$15,000,000,000
Cathy Family	21	Chick-fil-A	\$14,200,000,000
Stryker Family	22	Medical Equipment	\$14,000,000,000
Goldman Family	23	Real Estate	\$13,200,000,000
Rollins Family	24	Orkin Pest Control	\$13,100,000,000
Gallo Family	25	Wine, Liquor	\$12,400,000,000
Reyes Family	26	Food & Beer Distribution	\$12,000,000,000
Kohler Family	27	Plumbing Products	\$11,700,000,000
Mellon Family	28	Banking	\$11,500,000,000
Smith Family	29	Tools, Banking	\$11,300,000,000
Bass Family	30	Oil, Investments	\$10,800,000,000
Sackler Family	30	Pain Medicines	\$10,800,000,000
Johnson Family	32	Johnson & Johnson	\$10,700,000,000
Marriott Family	33	Hotels	\$10,400,000,000
Crown Family	34	Investments	\$10,200,000,000
Hughes Family	34	Public Storage Inc.	\$10,200,000,000
Pigott Family	36	Trucks	\$10,100,000,000
Shoen Family	37	U-Haul	\$9,000,000,000
Fisher Family	38	The Gap	\$8,900,000,000
Jenkins Family	39	Publix Super Markets	\$8,800,000,000
Chao Family	40	Chemicals	\$8,600,000,000
(Charles) Johnson Family	40	Mutual Funds	\$8,600,000,000
Phipps Family	40	Carnegie Steel, Bessemer Trust	\$8,600,000,000
Rockefeller Family	43	Oil	\$8,400,000,000
E.W. Scripps Family	43	Newspapers	\$8,400,000,000
Bechtel Family	45	Construction, Engineering	\$8,300,000,000
Gore Family	46	Gore-Tex	\$8,200,000,000
Durst Family	47	Real Estate	\$8,100,000,000
Taylor Family	48	Enterprise Rent-A-Car	\$7,800,000,000
Simplot Family	49	Agribusiness	\$7,700,000,000
Barbey Family	50	Textiles, Apparel	\$7,300,000,000

From the *Forbes* 2020 Billion-Dollar Dynasties list at <https://www.forbes.com/sites/kerryadolan/2020/12/17/billion-dollar-dynasties-these-are-the-richest-families-in-america/?sh=33219e2c772c>

Change in Dynastic Family Net Worth 1983-2020 for Families on the List in Both Years

Family	Rank on <i>Forbes</i> Billion-Dollar Dynasties List (2020)	Family Wealth in 2020	Family Wealth in 1983 (1983 Dollars)	Family Wealth in 1983 (2020 Dollars)	% Change 1983 to 2020 (2020 Dollars)
Walton Family	1	\$247,000,000,000	\$2,150,000,000	\$5,587,635,000	4320%
Koch Family	2	\$100,000,000,000	\$1,500,000,000	\$3,898,350,000	2465%
Mars Family	3	\$94,000,000,000	\$1,000,000,000	\$2,598,900,000	3517%
Cargill-MacMillan Family	4	\$47,000,000,000	\$700,000,000	\$1,819,230,000	2484%
Lauder Family	5	\$40,000,000,000	\$600,000,000	\$1,559,340,000	2465%
(S.C.) Johnson Family	6	\$37,000,000,000	\$600,000,000	\$1,559,340,000	2273%
Cox Family	8	\$34,500,000,000	\$1,200,000,000	\$3,118,680,000	1006%
Pritzker Family	9	\$32,500,000,000	\$1,500,000,000	\$3,898,350,000	734%
Newhouse Family	10	\$30,000,000,000	\$1,400,000,000	\$3,638,460,000	725%
Hearst Family	12	\$21,000,000,000	\$1,000,000,000	\$2,598,900,000	708%
Brown Family	13	\$20,400,000,000	\$450,000,000	\$1,169,505,000	1644%
Busch Family	16	\$17,600,000,000	\$400,000,000	\$1,039,560,000	1593%
Du Pont Family	17	\$16,000,000,000	\$3,540,000,000	\$9,200,106,000	74%
Hunt Family	18	\$15,500,000,000	\$1,400,000,000	\$3,638,460,000	326%
Dorrance Family	19	\$15,000,000,000	\$575,000,000	\$1,494,367,500	904%
Ziff Family	20	\$15,000,000,000	\$250,000,000	\$649,725,000	2209%
Gallo Family	25	\$12,400,000,000	\$600,000,000	\$1,559,340,000	695%
Mellon Family	28	\$11,500,000,000	\$2,250,000,000	\$5,847,525,000	97%
Bass Family	30	\$10,800,000,000	\$2,500,000,000	\$6,497,250,000	66%
Marriott Family	33	\$10,400,000,000	\$373,000,000	\$969,389,700	973%
Crown Family	34	\$10,200,000,000	\$725,000,000	\$1,884,202,500	441%
Phipps Family	40	\$8,600,000,000	\$260,000,000	\$675,714,000	1173%
Rockefeller Family	43	\$8,400,000,000	\$3,650,000,000	\$9,485,985,000	-11%
E.W. Scripps Family	43	\$8,400,000,000	\$130,000,000	\$337,857,000	2386%
Bechtel Family	45	\$8,300,000,000	\$1,100,000,000	\$2,858,790,000	190%
Durst Family	47	\$8,100,000,000	\$500,000,000	\$1,299,450,000	523%
Simplot Family	49	\$7,700,000,000	\$500,000,000	\$1,299,450,000	493%

1983 asset data is based on individuals on the 1983 *Forbes* 400 list from: Gissen, J., & Seneker, H. (1983). *The Forbes Four Hundred*. *Forbes*, pp. 71–143. 2020 asset data is from the *Forbes* 2020 Billion-Dollar Dynasties list at <https://www.forbes.com/sites/kerryadolan/2020/12/17/billion-dollar-dynasties-these-are-the-richest-families-in-america/?sh=33219e2c772c>.

All inflation adjustments use the annualized Consumer Price Index from the US Bureau of Labor Statistics (<https://www.bls.gov/cpi/>).

The Private Foundations of Dynastically Wealthy Families (2018)

Family	Rank on <i>Forbes</i> Billion-Dollar Dynasties List (2020)	Source of Wealth	Family Wealth (2020)	Number of Foundations (2018)	Foundation Assets (2018)	Median Payout Rate (2018)
Walton Family	1	Walmart	\$247,000,000,000	6	\$324,071,350	4.0%
Koch Family	2	Diversified	\$100,000,000,000	9	\$813,386,318	16.7%
Mars Family	3	Candy	\$94,000,000,000	4	\$48,076,152	4.2%
Cargill-MacMillan Family	4	Cargill Inc.	\$47,000,000,000	9	\$3,529,630,309	5.2%
Lauder Family	5	Estee Lauder	\$40,000,000,000	4	\$119,930,580	29.5%
(S.C.) Johnson Family	6	Cleaning Products	\$37,000,000,000	5	\$69,221,183	3.5%
(Edward) Johnson Family	7	Money Management	\$36,000,000,000	2	\$355,948,921	1.3%
Cox Family	8	Media	\$34,500,000,000	5	\$754,836,731	5.0%
Pritzker Family	9	Hotels, Investments	\$32,500,000,000	23	\$2,265,640,199	15.4%
Newhouse Family	10	Magazines, Newspapers	\$30,000,000,000	1	\$195,886,776	7.0%
Duncan Family	11	Pipelines	\$22,000,000,000	4	\$725,077,903	53.2%
Hearst Family	12	Hearst Corp.	\$21,000,000,000	6	\$1,161,739,891	5.0%
Brown Family	13	Liquor	\$20,400,000,000	9	\$645,472,551	4.9%
Marshall Family	14	Diversified	\$18,500,000,000	2	\$8,795,425	361.9%
Butt Family	15	Supermarkets	\$17,800,000,000	3	\$478,159,226	5.2%
Busch Family	16	Anheuser-Busch	\$17,600,000,000	2	\$16,223,810	15.1%
Du Pont Family	17	DuPont	\$16,000,000,000	3	\$734,870,385	5.0%
Hunt Family	18	Oil	\$15,500,000,000	7	\$36,704,628	37.4%
Dorrance Family	19	Campbell Soup Co.	\$15,000,000,000	11	\$356,865,290	11.1%
Ziff Family	20	Publishing	\$15,000,000,000	4	\$27,293,765	20.6%
Cathy Family	21	Chick-fil-A	\$14,200,000,000	1	\$706,687,682	4.5%
Stryker Family	22	Medical Equipment	\$14,000,000,000	5	\$368,381,847	43.0%
Goldman Family	23	Real Estate	\$13,200,000,000	4	\$307,122,323	8.3%
Rollins Family	24	Orkin Pest Control	\$13,100,000,000	4	\$1,017,063,492	4.3%
Gallo Family	25	Wine, Liquor	\$12,400,000,000	3	\$162,581,558	2.5%
Reyes Family	26	Food & Beer Distribution	\$12,000,000,000	2	\$2,164,400	7407.3%
Kohler Family	27	Plumbing Products, Sinks	\$11,700,000,000	4	\$365,883,641	6.0%
Mellon Family	28	Banking	\$11,500,000,000	6	\$10,271,026,103	5.2%
Smith Family	29	Tools, Banking	\$11,300,000,000	2	\$80,720	436.9%
Bass Family	30	Oil, Investments	\$10,800,000,000	11	\$657,188,493	4.4%
Sackler Family	30	Pain Medicines	\$10,800,000,000	10	\$62,702,323	19.0%
Johnson Family	32	Johnson & Johnson	\$10,700,000,000	7	\$11,143,961,937	4.9%
Marriott Family	33	Hotels	\$10,400,000,000	5	\$1,101,757,252	4.0%
Crown Family	34	Investments	\$10,200,000,000	3	\$1,212,621,151	4.6%
Hughes Family	34	Public Storage Inc.	\$10,200,000,000	2	\$111,756,726	28.6%
Pigott Family	36	Trucks	\$10,100,000,000	5	\$810,949,979	62.3%
Shoen Family	37	U-Haul	\$9,000,000,000	2	\$4,167,834	4.4%
Fisher Family	38	The Gap	\$8,900,000,000	7	\$234,278,698	41.0%
Jenkins Family	39	Publix Super Markets	\$8,800,000,000	1	\$31,054,926	15.7%
Chao Family	40	Chemicals	\$8,600,000,000	1	\$11,355,677	152.5%
(Charles) Johnson Family	40	Mutual Funds	\$8,600,000,000	2	\$58,788,519	2.6%
Phipps Family	40	Carnegie Steel, Bessemer Trust	\$8,600,000,000	1	\$19,767,437	5.6%
Rockefeller Family	43	Oil	\$8,400,000,000	8	\$5,747,481,576	5.9%
E.W. Scripps Family	43	Newspapers	\$8,400,000,000	5	\$52,489,689	5.6%
Bechtel Family	45	Construction, Engineering	\$8,300,000,000	20	\$368,747,814	4.7%
Gore Family	46	Gore-Tex	\$8,200,000,000	1	\$57,047	292.2%
Durst Family	47	Real Estate	\$8,100,000,000	4	\$6,026,405	13.8%
Taylor Family	48	Enterprise Rent-A-Car	\$7,800,000,000	1	\$956,980,090	4.8%
Simplot Family	49	Agribusiness	\$7,700,000,000	2	\$156,634,146	2.3%
Barbey Family	50	Textiles, Apparel	\$7,300,000,000	0	-	-

Excludes corporate and international foundations.

All data is based on IPS analysis of charitable foundations established and managed by the members of families on the *Forbes* Billion-Dollar Dynasties list (2020) (<https://www.forbes.com/sites/kerryadolan/2020/12/17/billion-dollar-dynasties-these-are-the-richest-families-in-america/?sh=33219e2c772c>).

Number of foundations is based on IPS analysis of 990PF tax return data information about family members from Wealth-X.

The vast majority of tax return data is from 2018. Where the 2018 tax returns were not available, the most recent return prior to 2018 was used.

Net Assets are from IRS tax form 990PF, Page 8, Part X, Line 5. Payout Rates were calculated by dividing Qualifying Charitable Distributions (IRS form 990PF, Page 8, Part XII, Line 4) by Net Assets.

End Notes

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- ¹³ IPS analysis of *Forbes* data. 1983 figures use individuals on the 1983 *Forbes* 400 list from: J. Gissen & H. Seneker, “The Forbes Four Hundred,” *Forbes*, 1983, pp. 71–143. 2020 figures use data from Forbes Wealth Team, “Billion-Dollar Dynasties: These Are The Richest Families In America,” [Online](#).
- ¹⁴ All lobbying information is from OpenSecrets.org. This includes Busch family lobbying ([online](#)), Mars family lobbying ([online](#)), Koch family lobbying ([online](#)), and Walton family lobbying ([online](#)).
- ¹⁵ All PAC information is from OpenSecrets.org. This includes the Cox PACs ([online](#)), the Brown-Forman PAC ([online](#)), the Walton PAC ([online](#)), the Marriott PAC ([online](#)), and the Simplot PAC ([online](#)).
- ¹⁶ All individual political giving from OpenSecrets.org. This includes Timothy Mellon political giving ([online](#)), Ronald Lauder political giving ([online](#)), Ronald Lauder political giving ([online](#)), and Jan Duncan political giving ([online](#)).
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- ²¹ All numbers and assets of foundations in this section are from IPS analysis of private foundations established and managed by dynastic family members were identified by IPS using the Wealth-X research portal; foundation assets were then determined from IPS analysis of publicly-available IRS tax form 990PFs.
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- ⁵¹ Marshall Farrer political donation information is from OpenSecrets.org ([online](#)).
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