

# Hedge fund magnate Dalio warns of wealth gap peril

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GREENWICH, CONNECTICUT

**Billionaire investor Ray Dalio has called on politicians to declare the growing wealth gap a national emergency.**

He wants urgent steps to be taken to address the issue, or face the prospect of a violent revolution where “we are all going to try to kill each other”.

In a conversation with fellow hedge fund manager Paul Tudor Jones at the Greenwich Economic Forum yesterday, the Bridgewater Associates founder echoed his previous comments and those of other billionaires who have expressed concerns about wealth disparity and a “broken” capitalist system.

“The world has gone mad and the system is broken,” said Mr Dalio, who was the highest earning hedge fund manager last year, pocketing \$2bn in fees and returns on his personal stake in Bridgewater funds.

The reason it was broken was that it was “not an equal opportunity system. It needs to be reformed in a way that works better”.

Mr Jones shared Mr Dalio’s concerns about capitalism, but said fixing the problem was “easy” if public companies could be persuaded to shift focus to more than just shareholder returns.

“We have 6m employees of public companies that today do not make a living wage,” said the 65-year-old founder of Tudor Investment Corp.

“Fifty years ago, 6.5 per cent of corporate revenues went to shareholders. Today that number is 13 per cent.”

Mr Jones has set up an organisation called Just Capital that ranks companies on their treatment of employees.

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**Urgent steps must be taken or ‘we are all going to try to kill each other’**

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Ray Dalio, Bridgewater Associates

His and Mr Dalio’s comments reflect a debate among hedge fund billionaires over how to characterise and respond to wealth disparity.

Leon Cooperman, founder of Omega

Advisors, penned a five-page open letter to Elizabeth Warren last week attacking the Democratic presidential candidate’s “soak-the-rich positions on taxes”.

In Greenwich, Mr Jones sounded the alarm over the US budget deficit, calling Donald Trump “the greatest salesman in the history of this country” for convincing the Republican party that “a 5 per cent budget deficit adjusted for the economic strength we have right now is a reasonable proportion and one that is good government policy”.

If the deficit continued to grow at the current pace, the US would in 10 years exceed the threshold where Greece encountered its debt crisis, she warned.