WORLD INEQUALITY REPORT 2022

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- Report based on the work of 100+ researchers on all continents affiliated to the World Inequality Database.

- First systematic assessement of global **income**, **wealth**, **gender** and **carbon** inequalities over 30 years

- All our data is accessible online along with codes & methodologies: visit wir2022.wid.world

Global economic inequalities: highlights

Global income and wealth inequality today

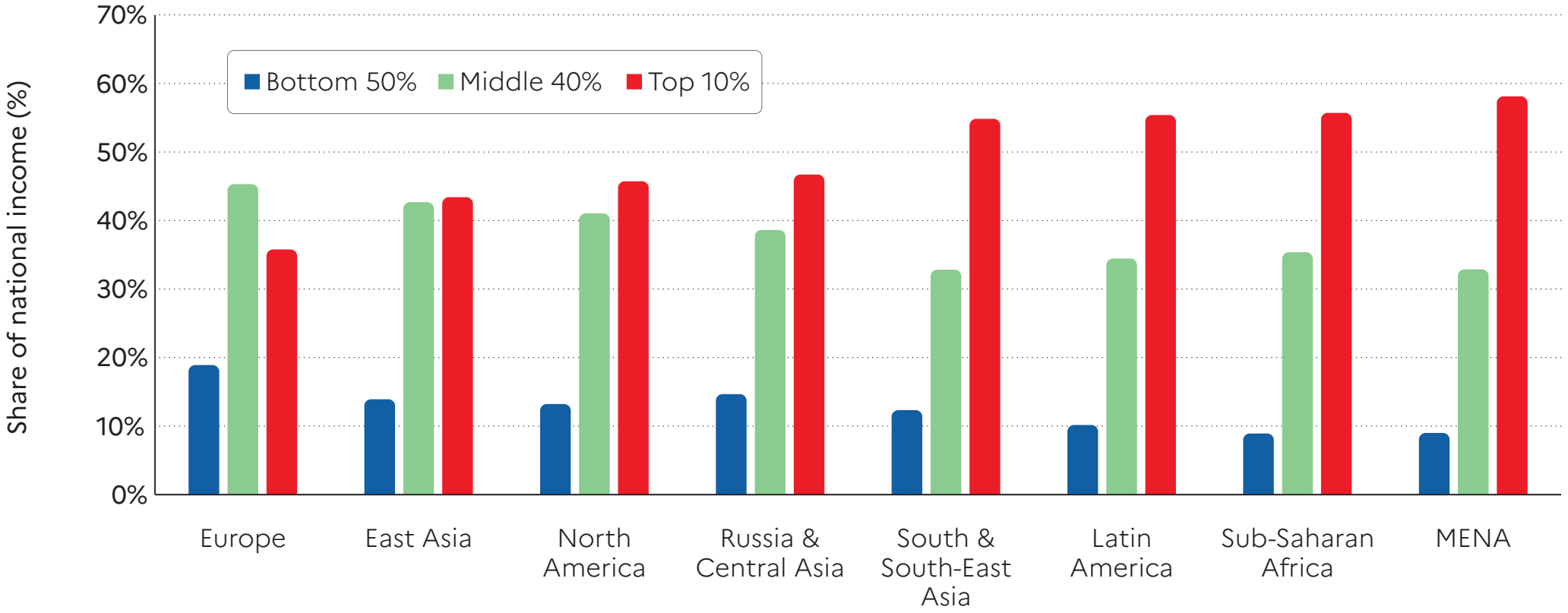
Figure 1 ***Global income and wealth inequality, 2021***

Interpretation: *The global 50% captures 8% of total income measured at Purchasing Power Parity (PPP). The global bottom 50% owns 2% of wealth (at Purchasing Power Parity). The global top 10% owns 76% of total Household wealth and captures 52% of total income in 2021. Note that top wealth holders are not necessarily top income holders. Incomes are measured after the operation of pension and unemployment systems and before taxes and transfers.* ***Sources and series:*** *wir2022.wid.world/methodology.*

A diversity of income inequality regimes

Top 10% captures 35%-60% of national income, bottom 50% = 10-20%

Figure 2 ***The poorest half lags behind: Bottom 50%, middle 40% and top 10% income shares across the world in 2021***



Interpretation: *In Latin America, the top 10% captures 55% of national income, compared to 36% in Europe. Income is measured after pension and unemployment contributions and benefits paid and received by individuals but before income taxes and other transfers.* ***Sources and series:*** *www.wir2022.wid.world/methodology.*

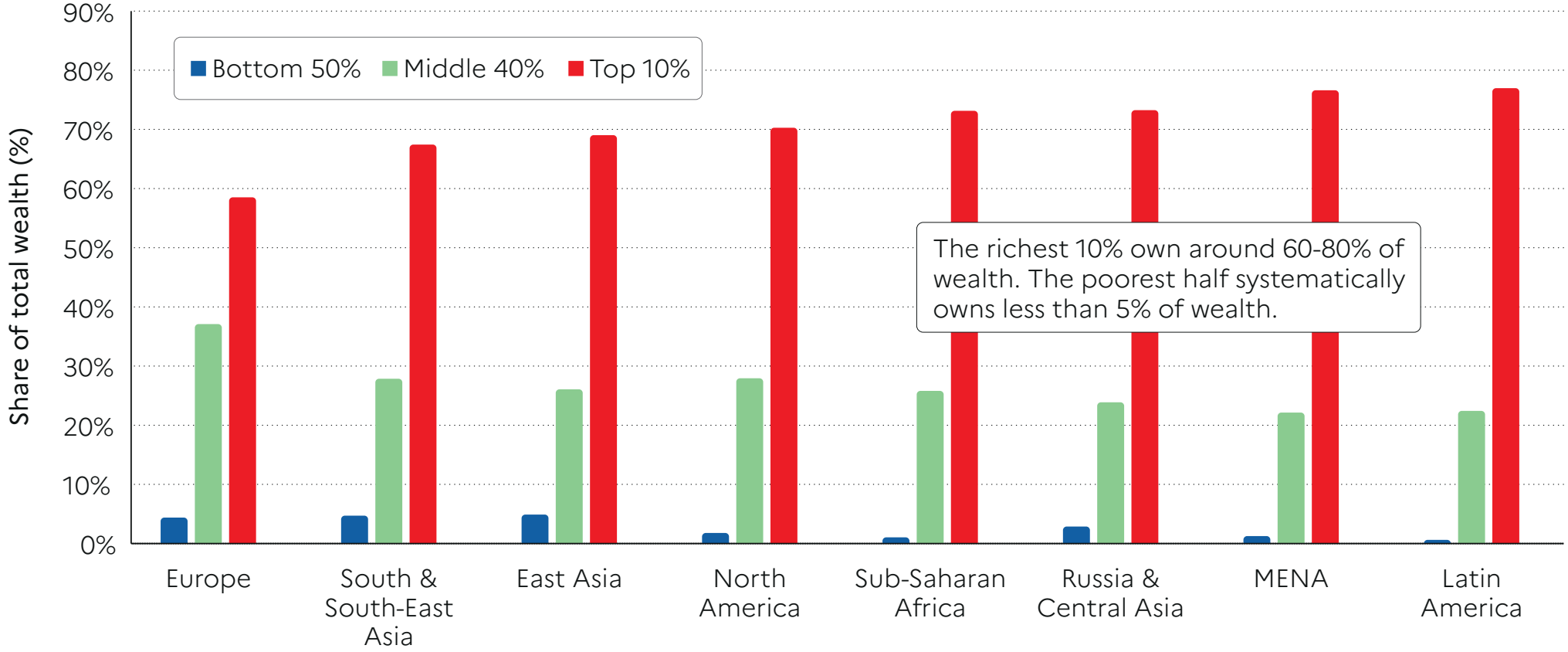
Inequality differences after taxes are mainly due to inequality gaps before taxes: role of predistribution

Figure 1.10 *Inequality before and after taxes 2018-2021: Top 10/Bottom 50 income gap*

Interpretation: *Before taxes, the bottom 50% in South Africa earns 63 times less than the top 10%, whereas after taxes, the bottom 50% earns 24 times less than the top 10%. Income is measured after pension and unemployment payments and benefits received by individuals but before other taxes they pay and transfers they receive. Data for 2018-2021.* ***Sources and series:*** *wir2022.wid.world/methodology*

Wealth inequality is extreme everywhere: no region with a bottom 50% owning more than 5% of wealth. Top 10% = 60-80%.

Figure 4 *The extreme concentration of capital: wealth inequality across the world, 2021*

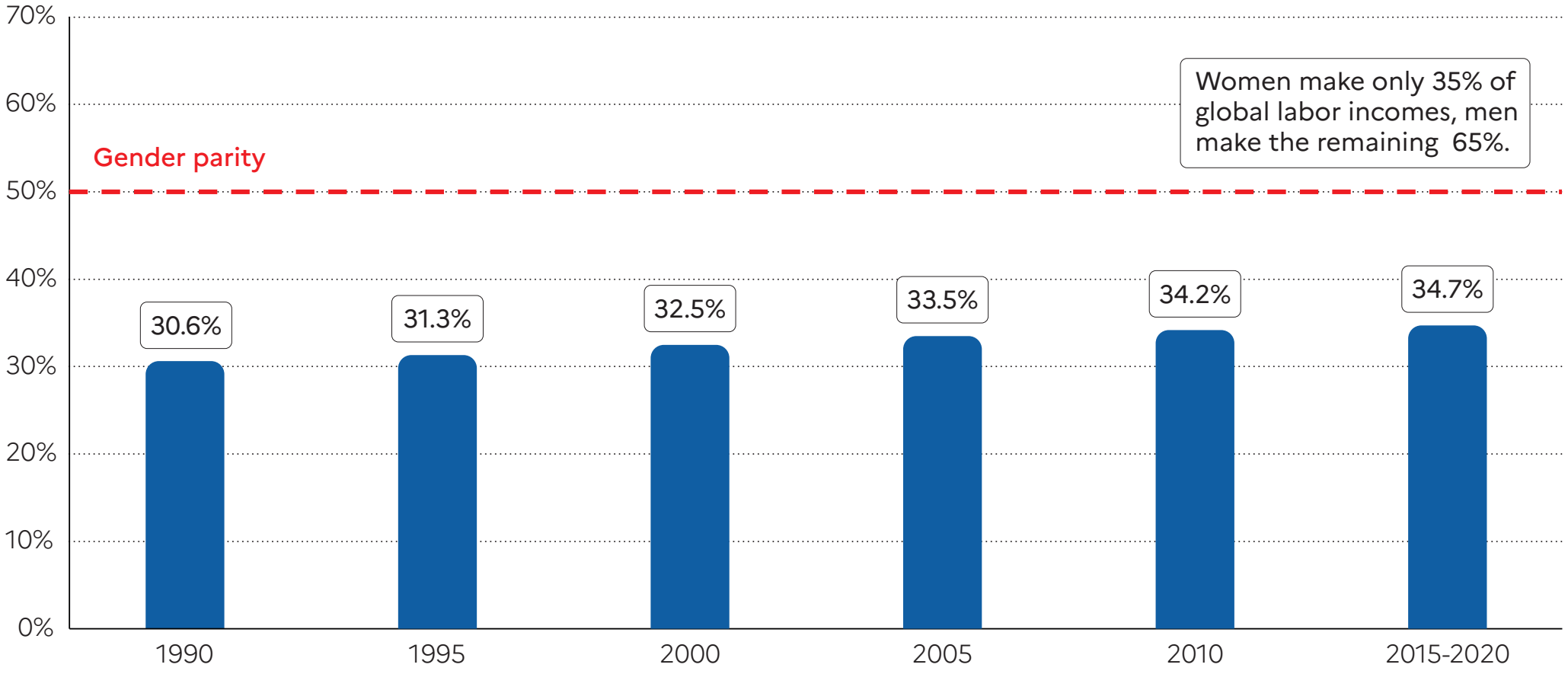


Interpretation: *The Top 10% in Latin America captures 77% of total household wealth, versus 22% for the Middle 40% and 1% for the Bottom 50%. In Europe, the Top 10% owns 58% of total wealth, versus 38% for the Middle 40% and 4% for the Bottom 50%.* ***Sources and series:*** *wir2022.wid.world/methodology.*

Beyond income & wealth: gender & carbon inequalities

Women earn just a third of all incomes worldwide. 100+ years to reach global parity at current rate

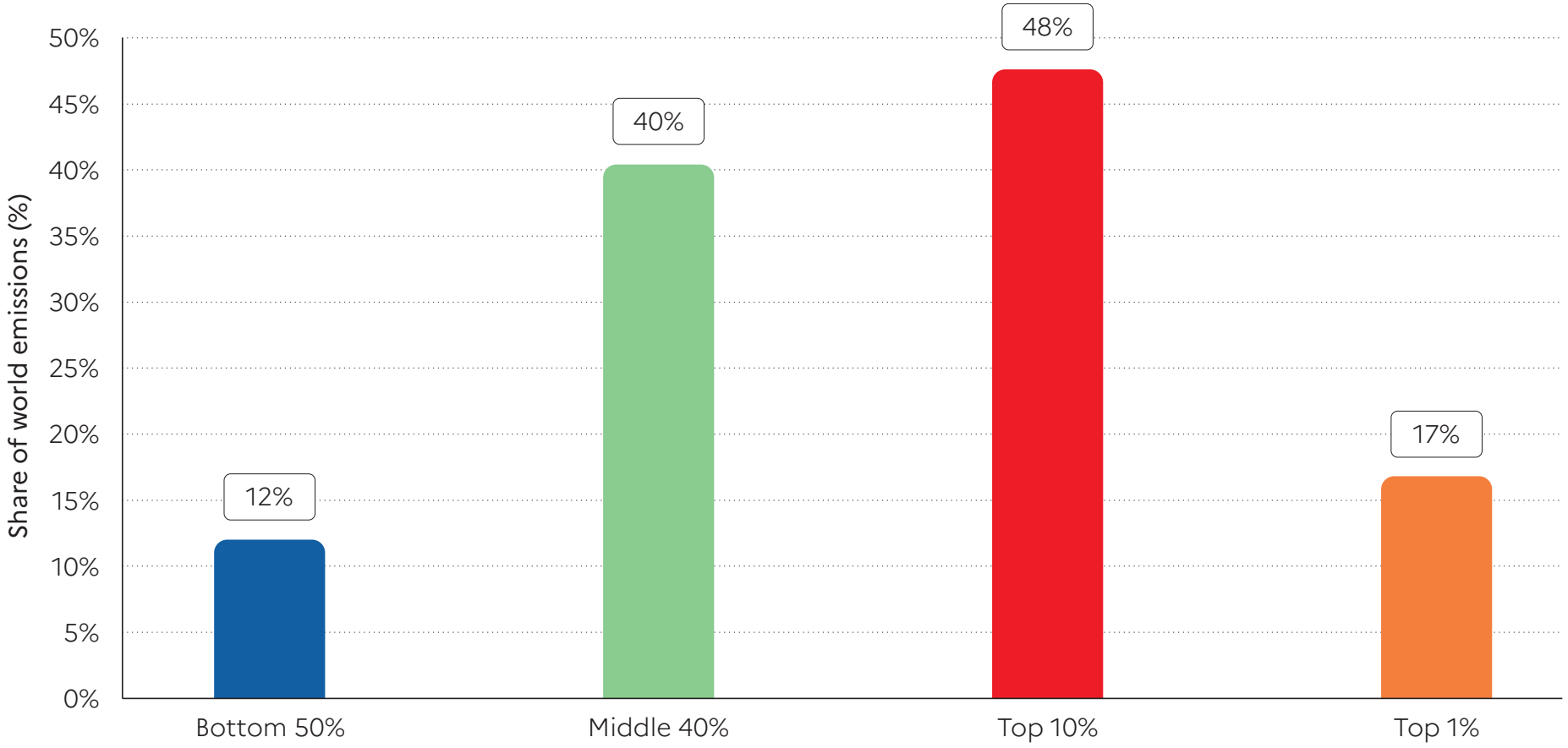
Figure 12 *Female share in global labor incomes, 1990-2020*



Interpretation: *The share of female incomes in global labour incomes was 31% in 1990 and nears 35% in 2015-2020. Today, males make up 64% of total labor incomes.* ***Sources and series:*** *wir2022.wid.world/methodology and Neef and Robilliard (2021).*

Large income and wealth inequalities translate into large emissions inequalities: global top 10% = 48% of all emissions

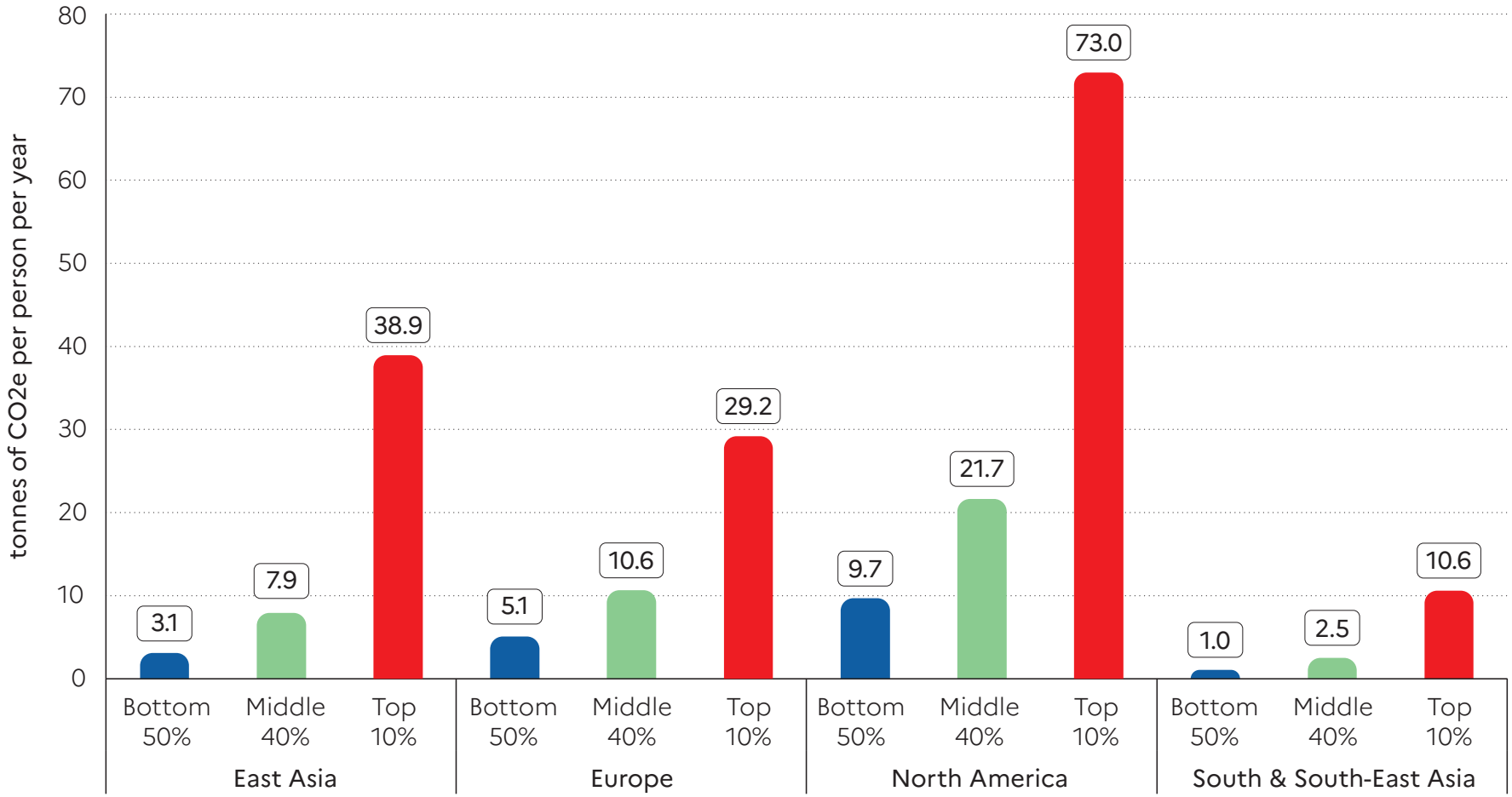
Figure 14 ***Global carbon inequality, 2019. Group contribution to world emissions (%)***



Interpretation: *Personal carbon footprints include emissions from domestic consumption, public and private investments as well as imports and exports of carbon embedded in goods and services traded with the rest of the world. Modeled estimates based on the systematic combination of tax data, household surveys and input-output tables. Emissions split equally within households.* ***Sources and series:*** *wir2022.wid.world/methodology and Chancel (2021).*

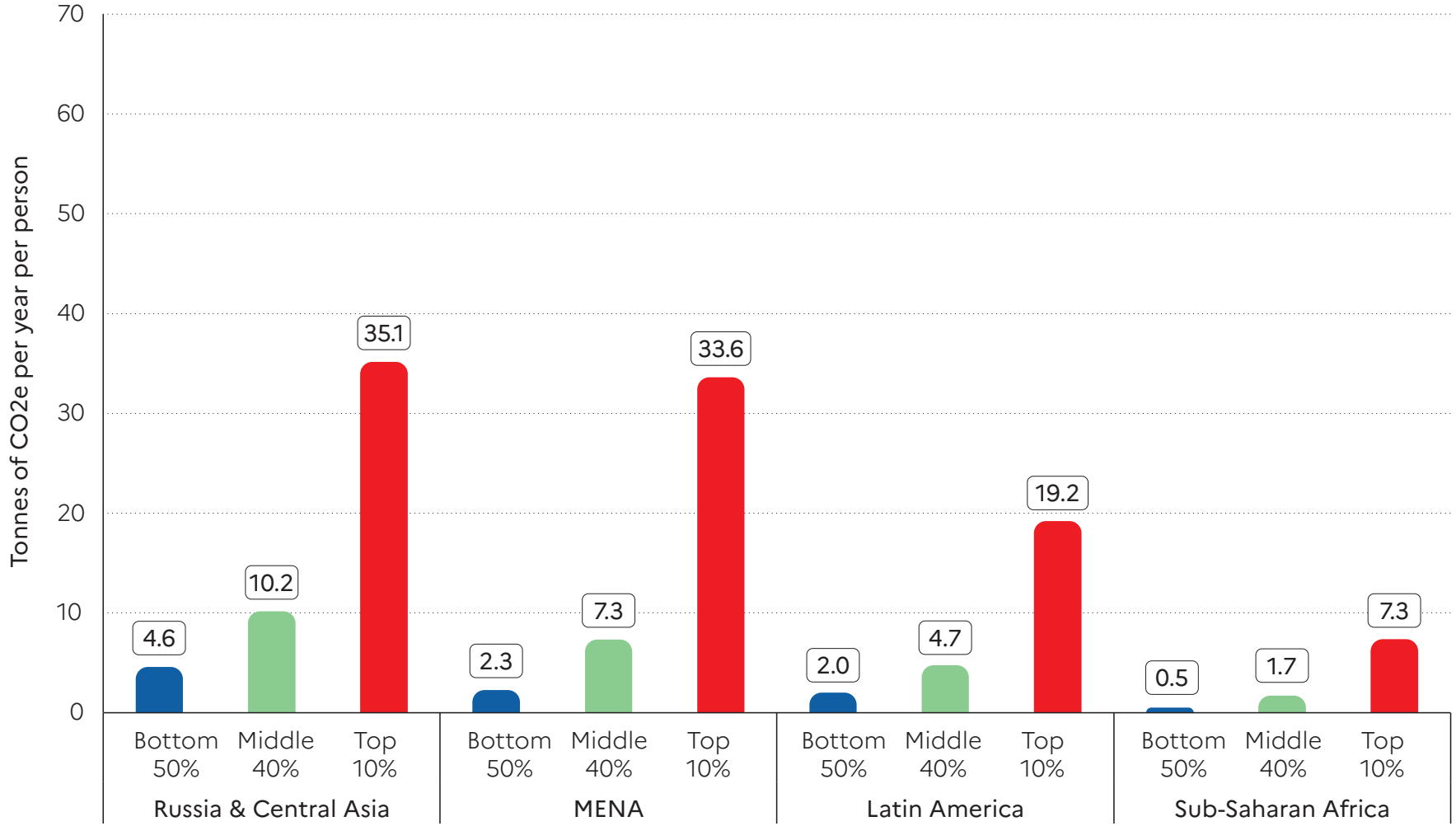
Global carbon inequality is not just a rich vs. poor country issue: low emitters in rich countries

Figure 15 *Per capita emissions across the world, 2019*



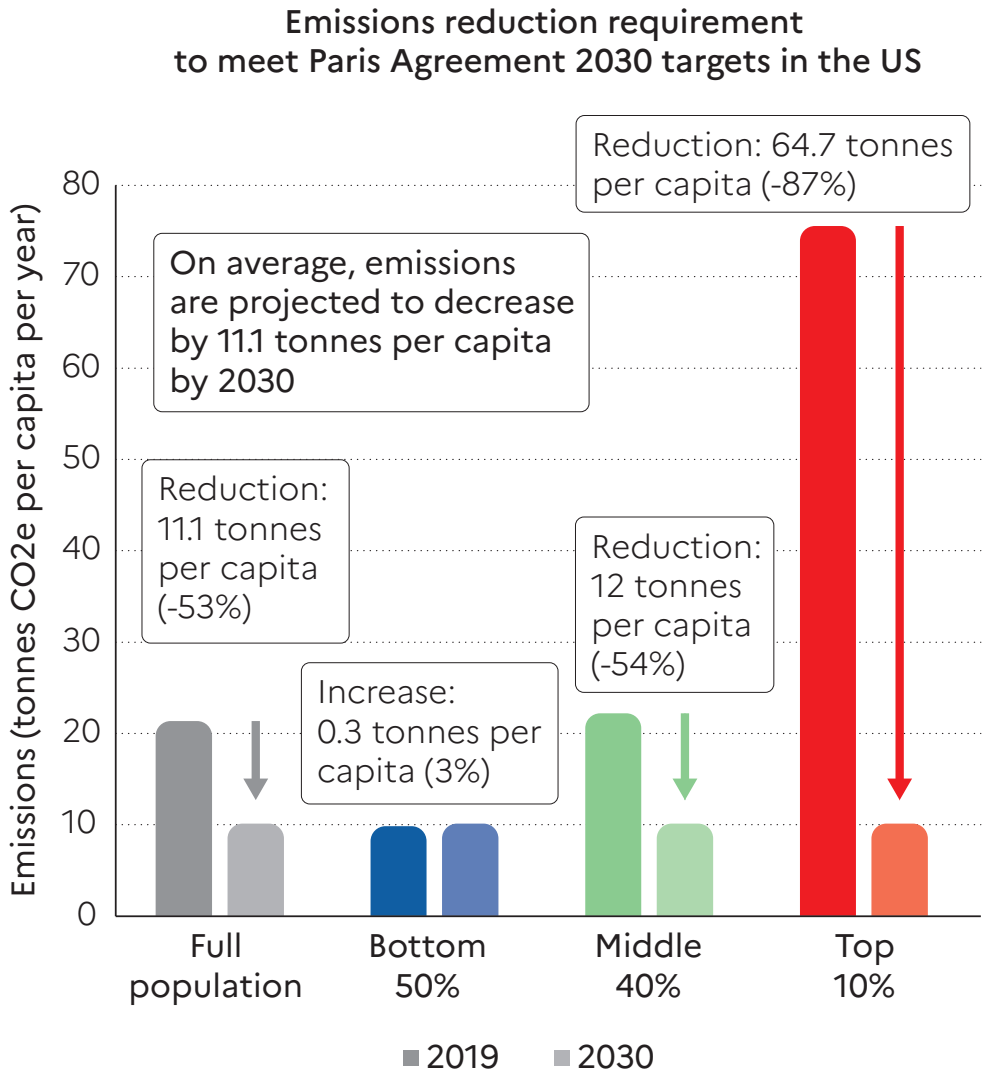
Interpretation: *Personal carbon footprints include emissions from domestic consumption, public and private investments as well as imports and exports of carbon embedded in goods and services traded with the rest of the world. Modeled estimates based on the systematic combination of tax data, household surveys and input-output tables. Emissions split equally within households.* ***Sources***

Global carbon inequality is not just a rich vs. poor country issue: high emitters in poor countries



Interpretation: *Personal carbon footprints include emissions from domestic consumption, public and private investments as well as imports and exports of carbon embedded in goods and services traded with the rest of the world. Modeled estimates based on the systematic combination of tax data, household surveys and input-output tables. Emissions split equally within households.* ***Sources and series:*** *wir2022.wid.world/methodology and Chancel (2021).*

Bottom groups in rich countries already near 2030 targets



Interpretation: *Individual carbon footprints include emissions from all greenhouse gases stemming from domestic consumption, public and private investments as well as imports and exports of carbon embedded in goods and services traded with the rest of the world. Modeled estimates based on the systematic combination of national accounts, tax and survey data, input-output models and energy datasets. Emissions are split equally within households. The 2030 target corresponds to the overal emissions budget annouced by governments for 2030, divided by the total population of the country in 2030.* ***Sources and series:*** *wir2022.wid.world/methodology and Chancel (2021).*

Conclusion & perspectives

Substantive Lessons & Perspectives: How do we get to a more equal world?

Inequality varies a lot across countries and over time

Diverging inequality levels & trajectories across countries reveal the importance of social policies

Large income and wealth inequalities translate into large gender & emissions inequalities

Economic development is good but not enough

Post-tax redistribution is good but not enough

Need more equal pre-distribution within countries

Thank you for your attention