

08 – 12 – 2021

News: World Inequality Report 2022

World Inequality Report 2022

- World Inequality Report 2022 is **released by World Inequality Lab**, which aims to promote research on global inequality dynamics.
- The **poorest half of the global population “barely owns any wealth” possessing just 2% of the total, whereas the richest 10% of the global population own 76% of all wealth.**
- The **Middle East and North Africa (MENA) are the most unequal regions in the world, whereas Europe has the lowest inequality levels.**
- **Women’s share of total incomes from work (labour income) was about 30% in 1990 and is less than 35% now.**
- Inequalities **within countries are now greater than those observed between countries.**
- At the same time, **the gap between the average incomes of the top 10% and the bottom 50% of individuals within countries has almost doubled.**
- Over the past 40 years, countries have become significantly richer, but their governments have become significantly poorer.

- The currently low wealth of governments has important implications for state capacities to tackle inequality in the future, as well as the key challenges of the 21st century such as climate change.

India Specific Findings

- India stands out as a poor and very unequal country.
- The top 1% of the population hold more than one-fifth of the total national income in 2021 and the bottom half just 13%.
- The economic reforms and liberalization adopted by India have mostly benefited the top 1%.
- Average Household Wealth stands at Rs. 983,010. It has been observed that the deregulation and liberalisation policies implemented since the mid-1980s have led to “one of the most extreme increases in income and wealth inequality observed in the world”.
- The female labour income share is equal to 18% which is significantly lower than the average in Asia [21%, excluding China] and this value is one of the lowest in the world.

Carbon inequality

- India is a low carbon emitter. The average per capita consumption of greenhouse gas is equal to just over 2 CO₂e.
- Carbon dioxide equivalent or CO₂e is a term for describing different greenhouse gases in a common unit.
- These levels are typically comparable with carbon footprints in sub-Saharan African countries.
- The bottom 50% consume one, the middle 40% 2 and the top 10%, 9 CO₂e/capita.
- A person in the bottom 50% of the population in India is responsible for, on average, five times fewer emissions than the average person in the bottom 50% in the European Union and 10 times fewer than the average person in the bottom 50% in the US.

Rise of Private Wealth

- There has been a rise of private wealth in emerging countries such as China and India.
- China has had the largest increase in private wealth in recent decades. The private wealth increase seen in India over this time is also remarkable (up from 290% in 1980 to 560% in 2020).