

60 facts on wealth inequality

Global view

The Julius Baer Foundation's work focuses on reducing wealth inequality. To mark the Foundation's 60th anniversary, the '60 Facts' series shares 60 insights into this global challenge.

This infographic presents the first 10 facts, offering a global perspective on socio-economic disparities and wealth inequality.

What is wealth inequality?

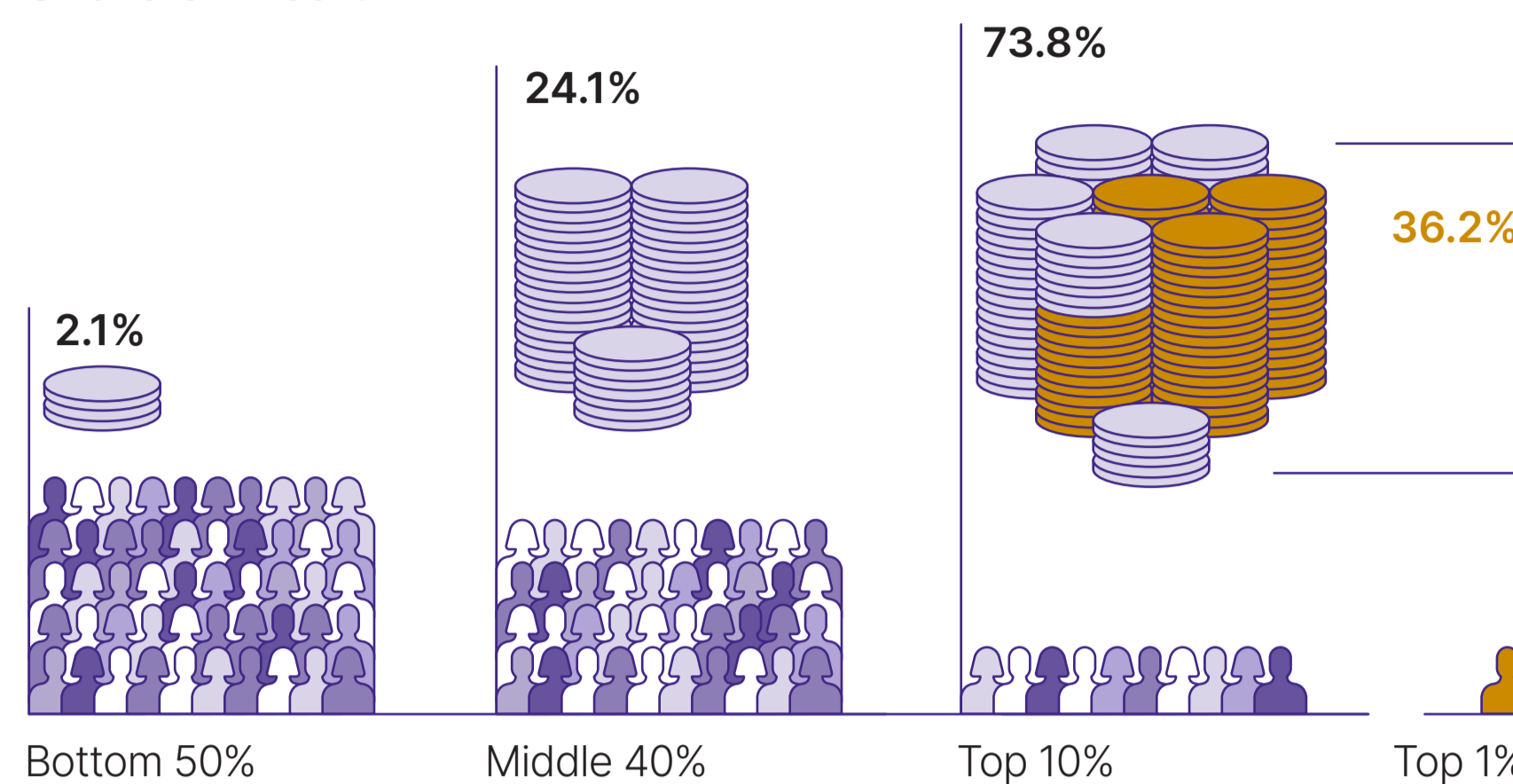
1 Wealth inequality refers to the **unequal distribution of assets and resources** among individuals or groups within a society or country.

It's not only about money.

It also means that while most resources and assets are concentrated in the hands of a small group, the **larger proportion of the population lacks opportunities and access to capital, education, quality healthcare, and much more.**

The magnitude of the issue

Share of wealth



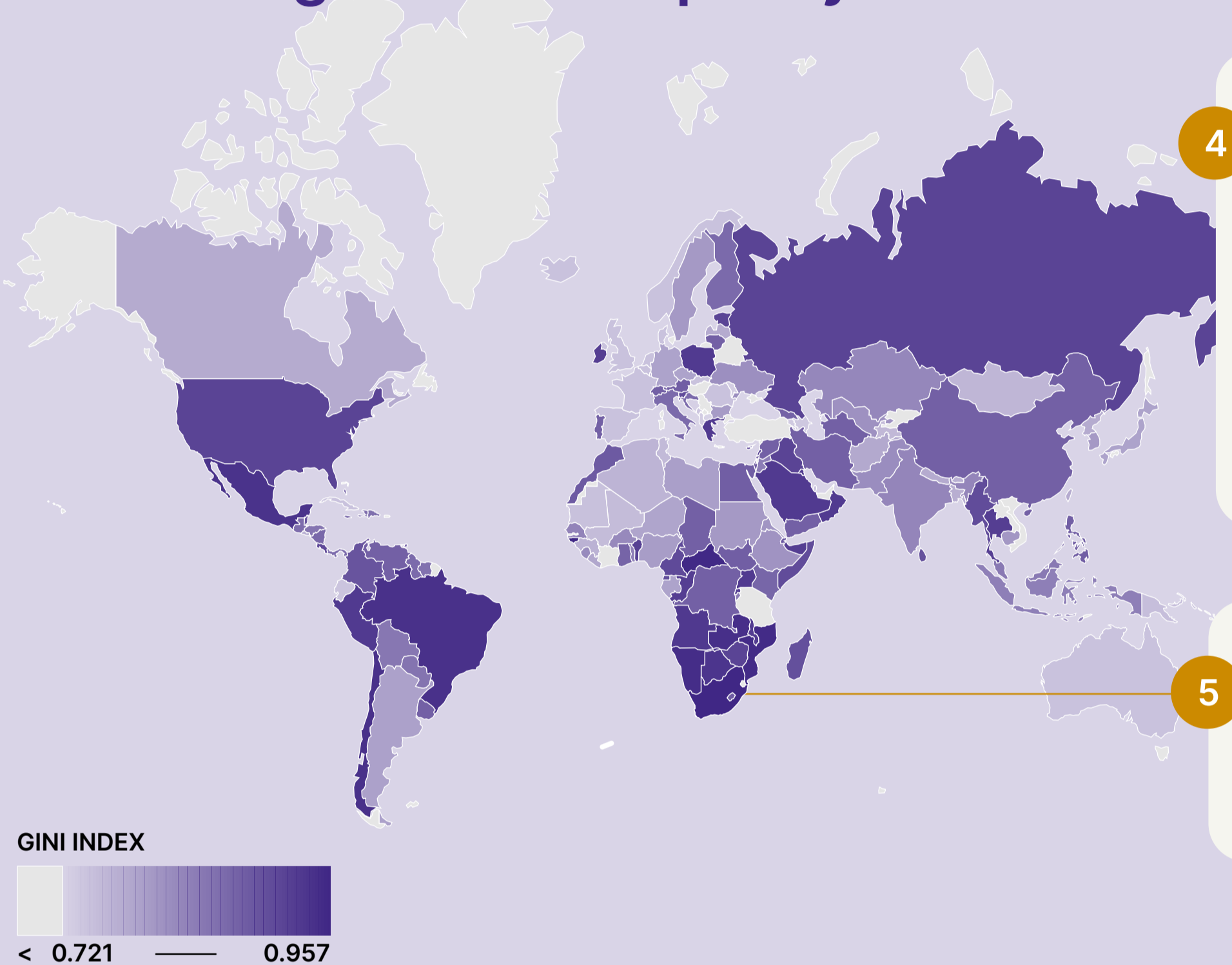
Share of population

⁽¹⁾ These figures are adjusted for purchasing power parity (PPP). PPP allows a fair comparison between countries as it takes into account the cost of living. Sources: World Bank Poverty and Inequality Platform 2024; World Inequality Database; World Inequality Report 2022

2 At global level, the **bottom 50%** live on a median income of just **\$8.25 USD a day**, making it extremely challenging for families to access basic assets like balanced nutrition, safe housing, and quality healthcare.

3 The poorest half of the population hold an average of **\$4,100 USD** per adult ⁽¹⁾, while the **top 10%** own **\$771,300 USD** per adult ⁽¹⁾ on average.

Measuring wealth inequality



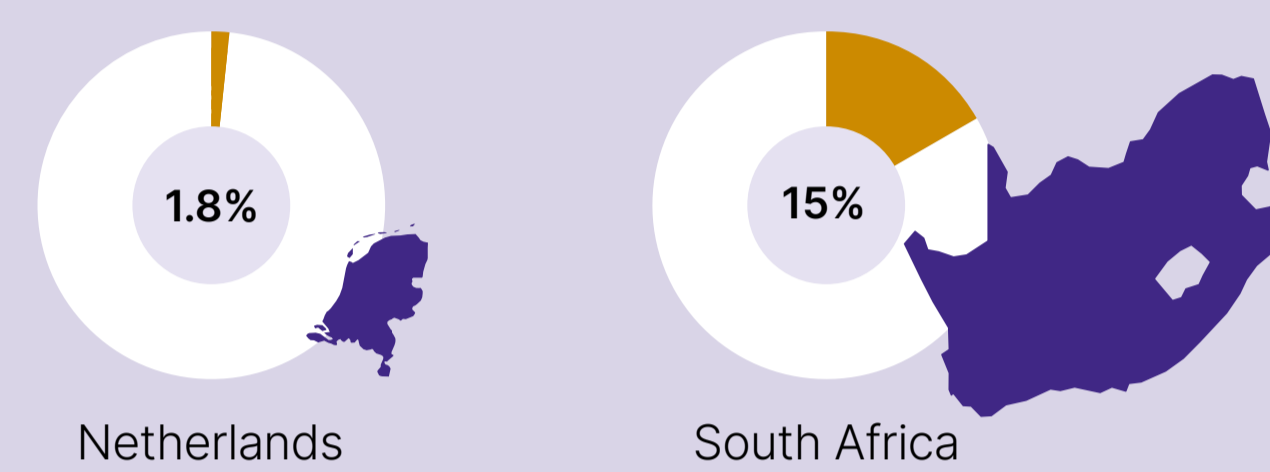
4 The top 50 most unequal countries in the world, as measured by the Wealth Gini Index, are primarily located in **'Sub-Saharan Africa, followed by MENA, Europe, and Latin America.**

5 **South Africa** has the highest wealth inequality. The lowest is in the Netherlands.

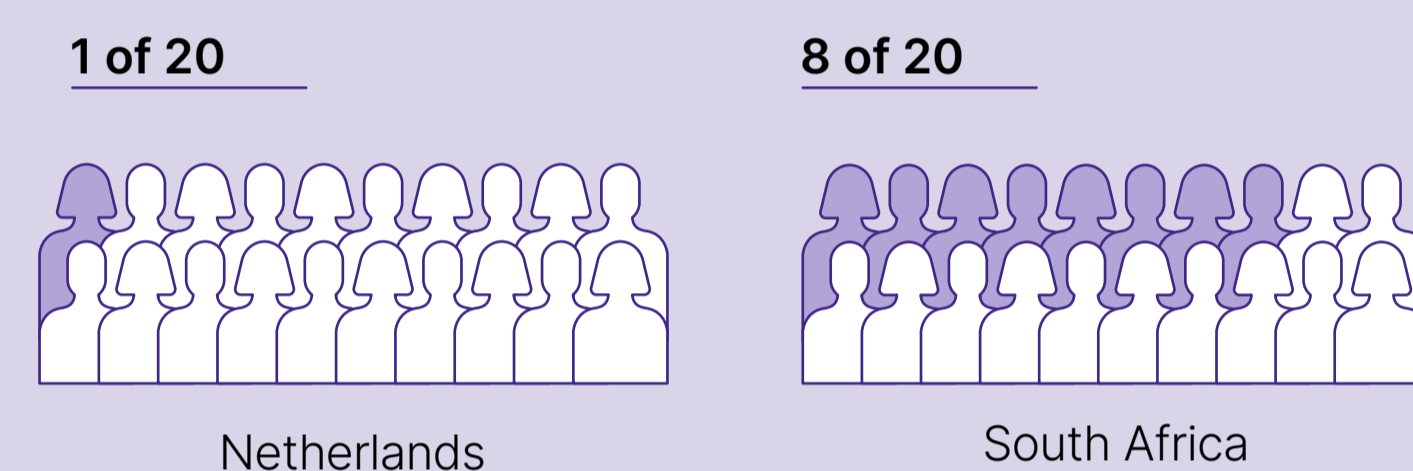
The **wealthiest 0.01% in South Africa own 15% of household wealth**, while in the Netherlands, they own just **1.8%.**

This imbalance affects access to opportunities in everyday life, including access to jobs: In South Africa, **8 in 20 young people aged 15–29** are not in employment, education or training (NEET), compared to **less than 1 in 20** in the Netherlands.

Share of household wealth owned by the wealthiest 0.01% of the country



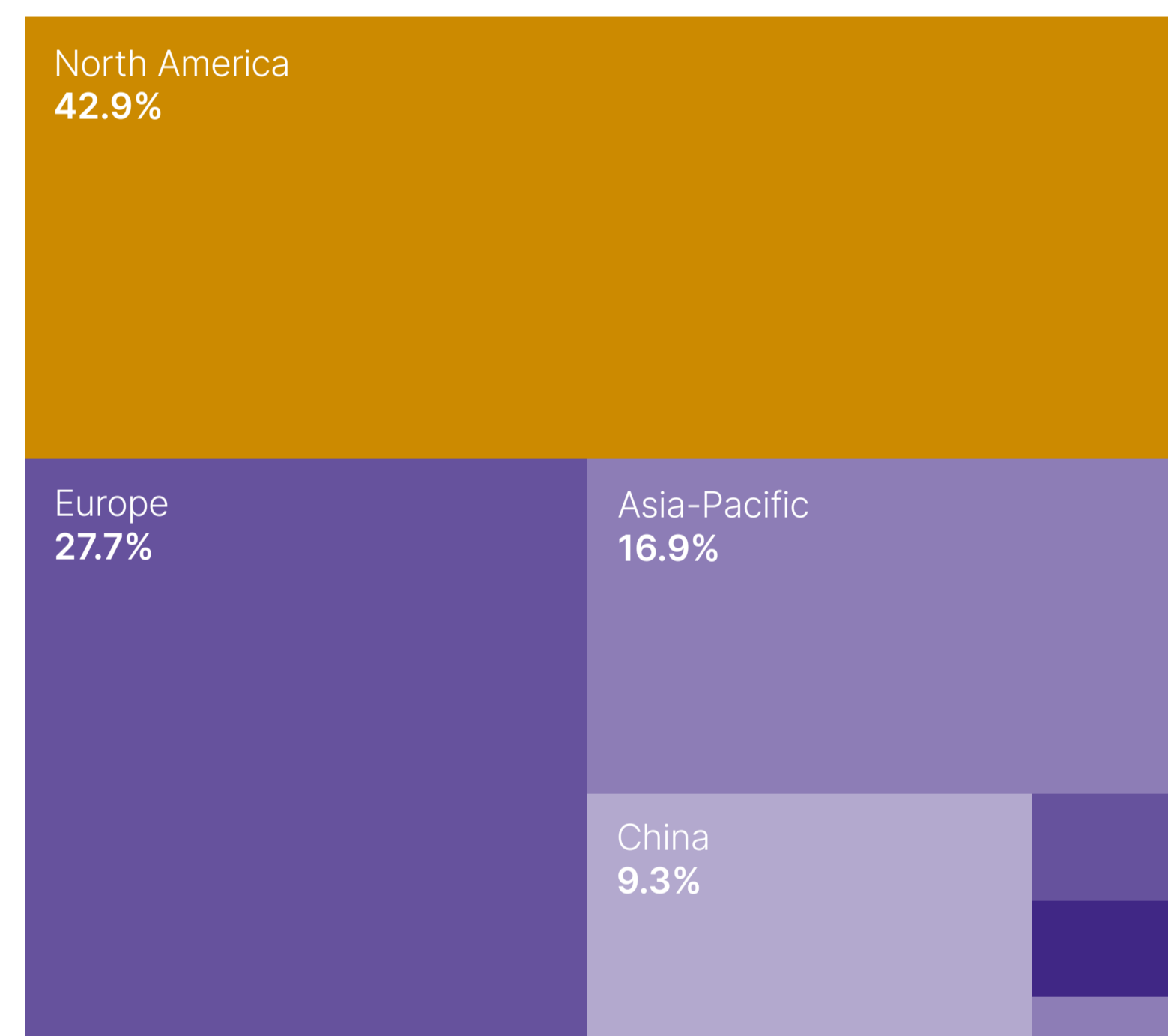
Number of NEET young people (aged 15–29)



Data downloaded from wid.world; Statistics South Africa Quarterly Labour Force Survey Q1 2024; Eurostat

Wealth inequality across regions

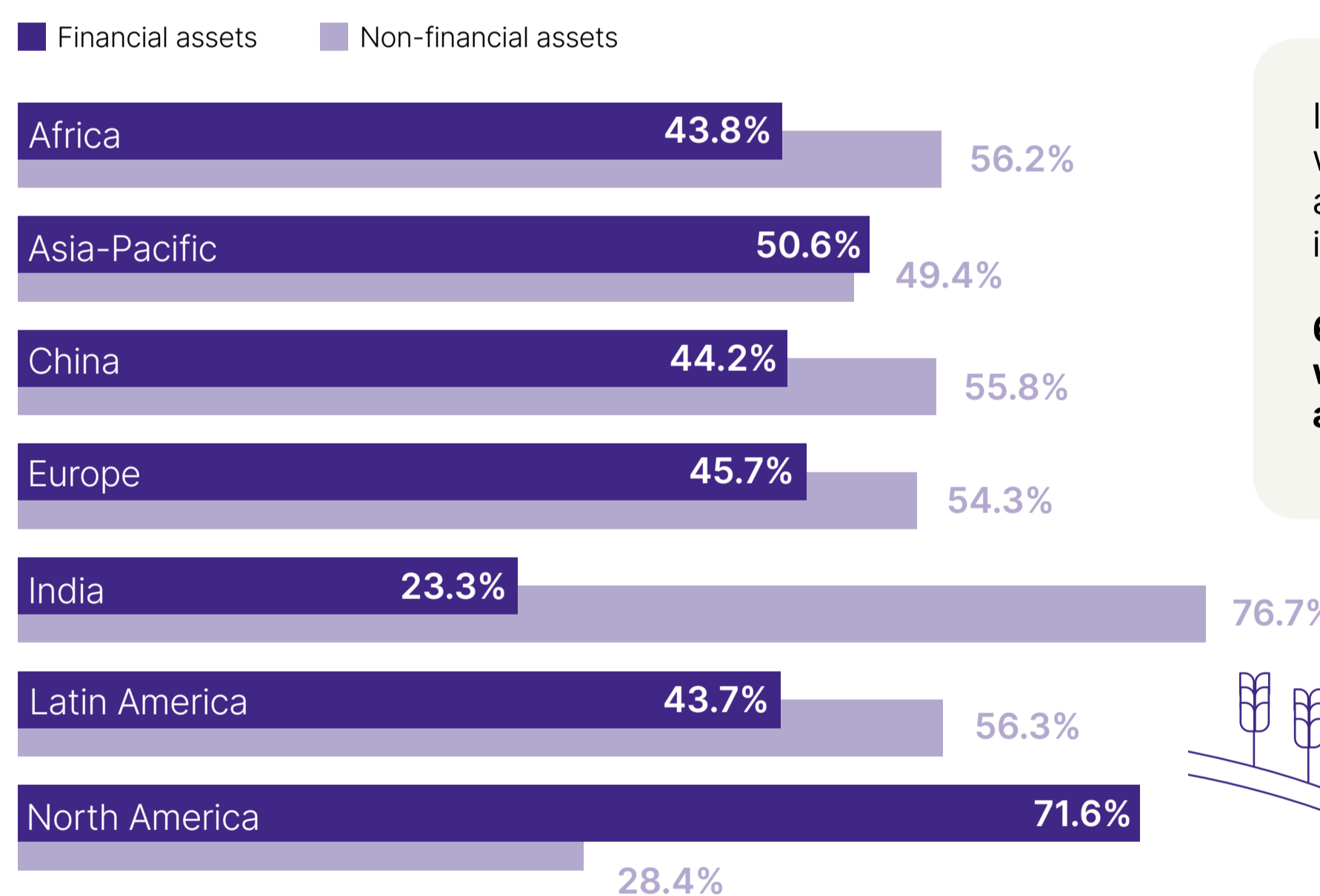
The top 1% of global wealth owners, by region



7 Today, the top 1% of global wealth owners are predominantly from **North America — 4 in 10 people.** Fewer than 3 in 10 are from Europe, 2 in 10 from the Asia-Pacific region, and 1 in 10 from China.

All wealth is not the same

Distribution of wealth by financial and non-financial assets



In North America, 72% of wealth is held in financial assets, while in India 77% is non-financial.*

60% of personal wealth is held as land in India.

* Financial assets include stocks and bonds, retirement/pension funds, and cash and deposits. Non-financial assets include property (both owner resident and rental), equipment for business, and land.

Sources: Credit Suisse Wealth Databook 2021; Anand et al., "Wealth Inequality: The Indian Case," 2023; Credit Suisse Wealth Databook 2021

The racial wealth gap

9 For every US Dollar the average white American has, the average Black American has only 17 cents.

1:6 white-to-black per capita wealth ratio in the US.



10 For every Rand the average white South African has, the average Black South African has 12 cents.

1:8 white-to-black wealth gap in South Africa.



Sources: Derenoncourt et al., "Wealth of Two Nations", 2024; Chatterjee, Aroop, Léo Czajka, and Amory Gethin. Redistribution without inclusion? Inequality in South Africa since the end of apartheid. Working Paper, Paris School of Economics, 2023.

What can we do?

When access to basic resources is not granted, entire communities are denied opportunities to grow. The reality is that the bottom 50% of the population barely moves up the social ladder; **wealth inequality hinders upward social mobility, keeping them from progressing no matter how hard they try.**

As a result, they not only lack better prospects for themselves, but also **the opportunity to positively contribute to society for the benefit of all.**

The issue is complex, and systemic change requires time and structural measures. But it is also clear that **initiatives for greater equality need to bridge the gap holistically, addressing wealth creation and preservation, access to opportunities, and the development of social capital.**

As the charitable foundation of a trusted partner to the world's wealthy, the Julius Baer Foundation is equipped to use its position at the nexus of wealth and influence holders, philanthropists, and organisations at all levels of society to drive positive transformation and tackle this issue together.

We believe that by **bringing together socio-economic groups from across the wealth spectrum**, all stakeholders learn from each other, and foster productive partnerships that go beyond monetary donations and address both the economic and social dimensions of the challenge.

The projects that we support around the world are united in one common approach: that groups across the wealth spectrum work together to share their knowledge and networks and to create social mobility and equal opportunities.



60 facts on wealth inequality



by Julius Baer Foundation

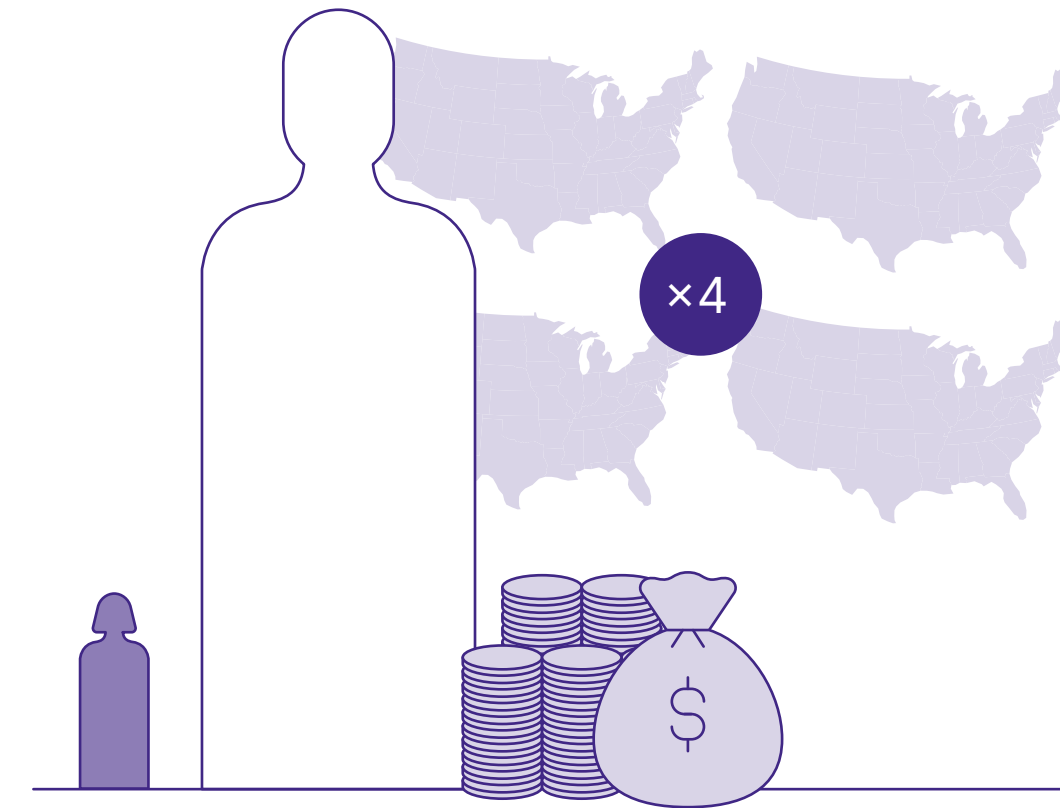
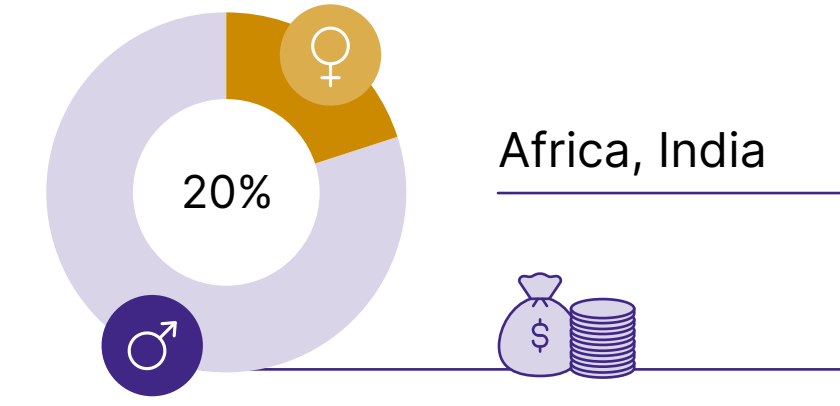
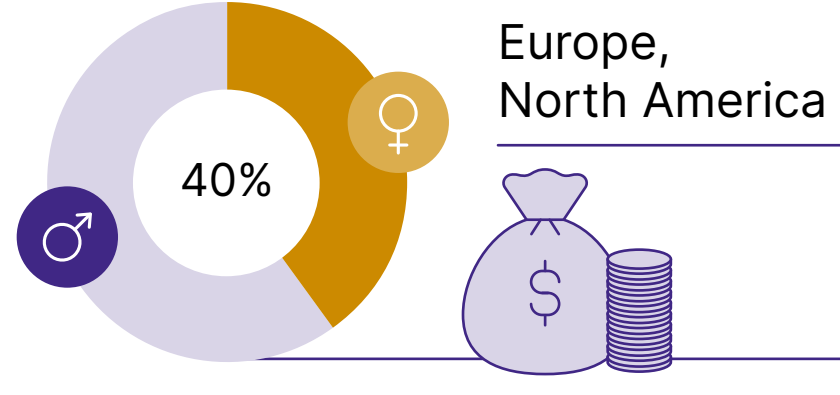
The gender wealth gap

The Julius Baer Foundation's work focuses on reducing wealth inequality. To mark the Foundation's 60th anniversary, the '60 Facts' series shares 60 insights into this global challenge.

The facts in this infographic offer insights into the wealth inequality aspect of the global gender inequality issue, highlighting how it hinders opportunities for women and prevents them from realizing their full potential: a consistent challenge facing women in all corners of the world.

Unequal everywhere

11 Globally, men own **\$105 trillion** more wealth than women – equivalent to four times the size of the US economy.



12 About **40%** of wealth in Europe and North America is owned by women. In Africa and India they own about **20%**.

Sources: Riddell et al., 2024; Credit Suisse Global Wealth Databook 2018

When hard work doesn't matter

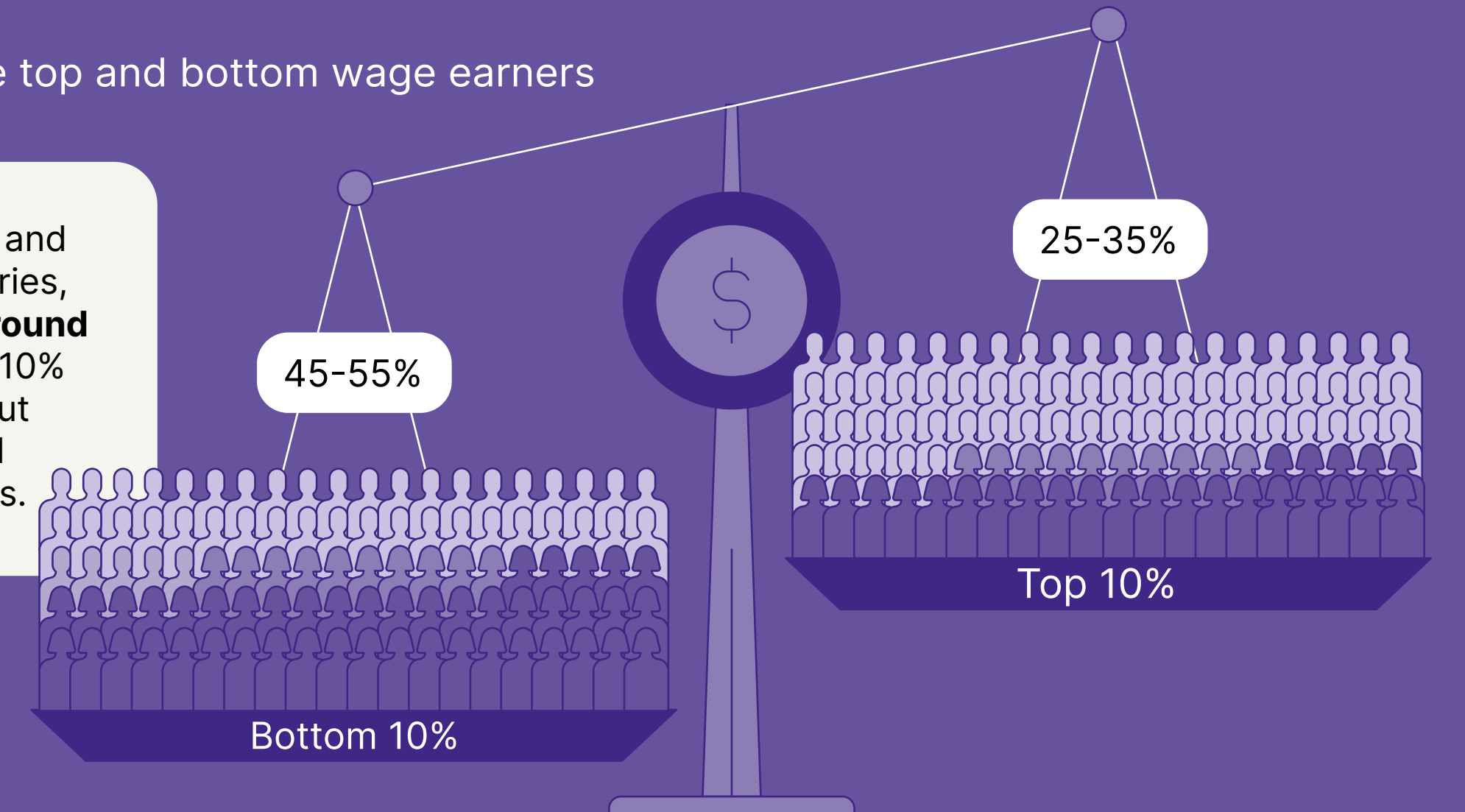
13 Women earn on average about **20% less** than men.

Inequality in the labour market between men and women leads to income differences that help explain the gap: Differences in educational attainment, pay discrimination, access to jobs, and occupational differences, where care work and other low paid occupations tend to be dominated by women, all play a key role.

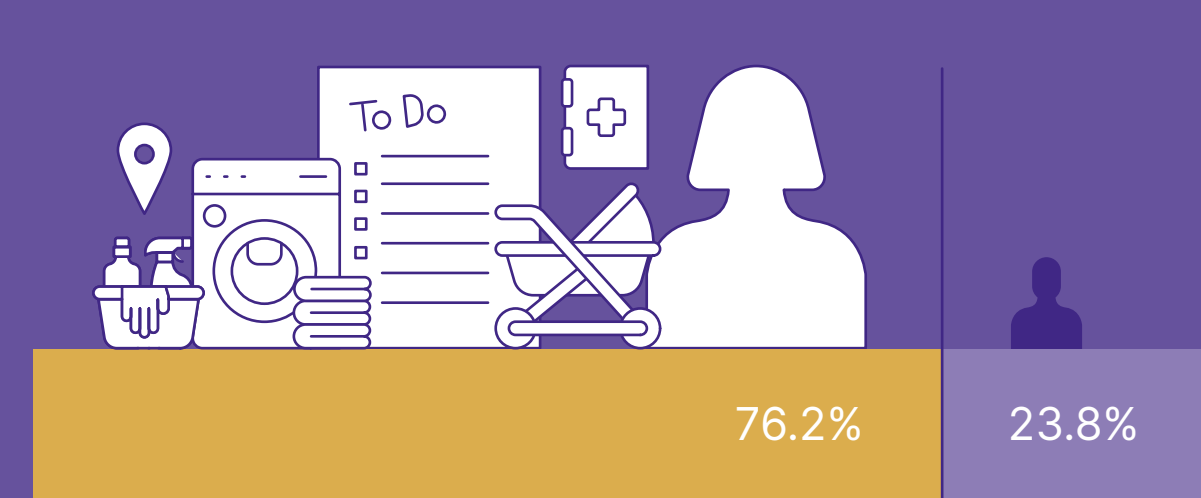


Women's share of the top and bottom wage earners

14 Across low, middle and high-income countries, women make up **around half** of the bottom 10% of wage earners, but only **around a third** the top 10% earners.



Unpaid carework



15 **76.2%** of total unpaid care work is performed by women – over three times more than men.

Unpaid work, such as cooking, cleaning, housework and transport, leaves women with less savings, making them vulnerable to economic crises and financial dependence.

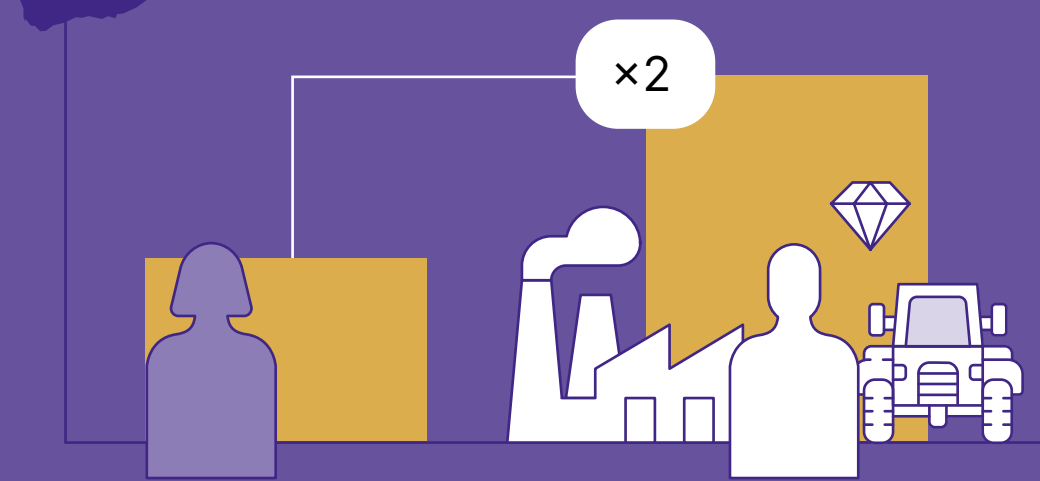
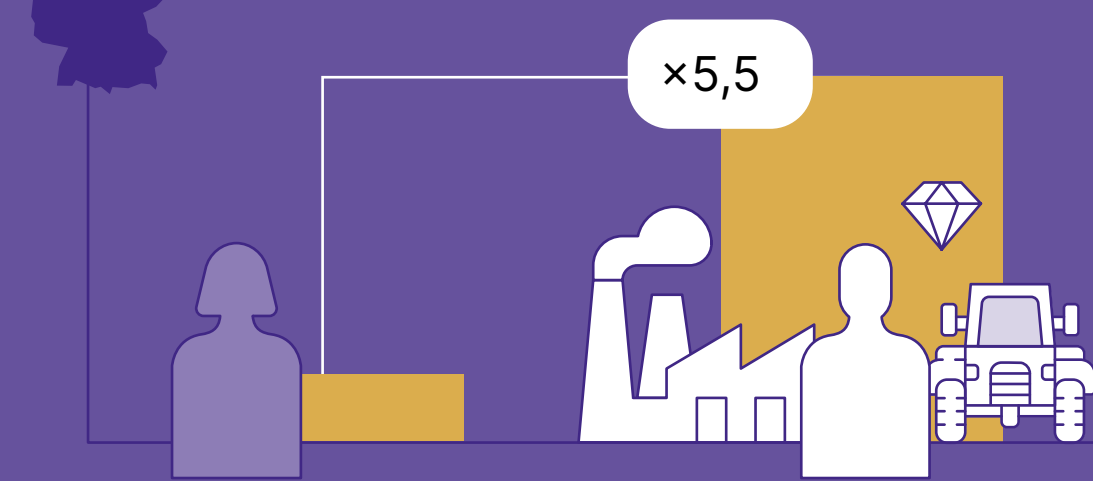
Sources: Conley & Ryyvicker 2004; Chang 2010; Ruel & Hauser 2013; Federici, 2004; Office of National Statistics 2016; International Labour Organization, 2024; International Labour Office Geneva, 2018.

16 As the economy pushes women into low-wage, informal sectors, they typically run smaller, lower-income enterprises than men because they lack access to credit, land, and resources.

This is true across economies and independent from the country's position on the GINI index for wealth inequality, as shown by South Africa and Germany, which rank #1 and #124, respectively.

In Germany, men hold **5.5 times more** business wealth than women.

In South Africa, men hold **2.0 times more** business wealth than women.

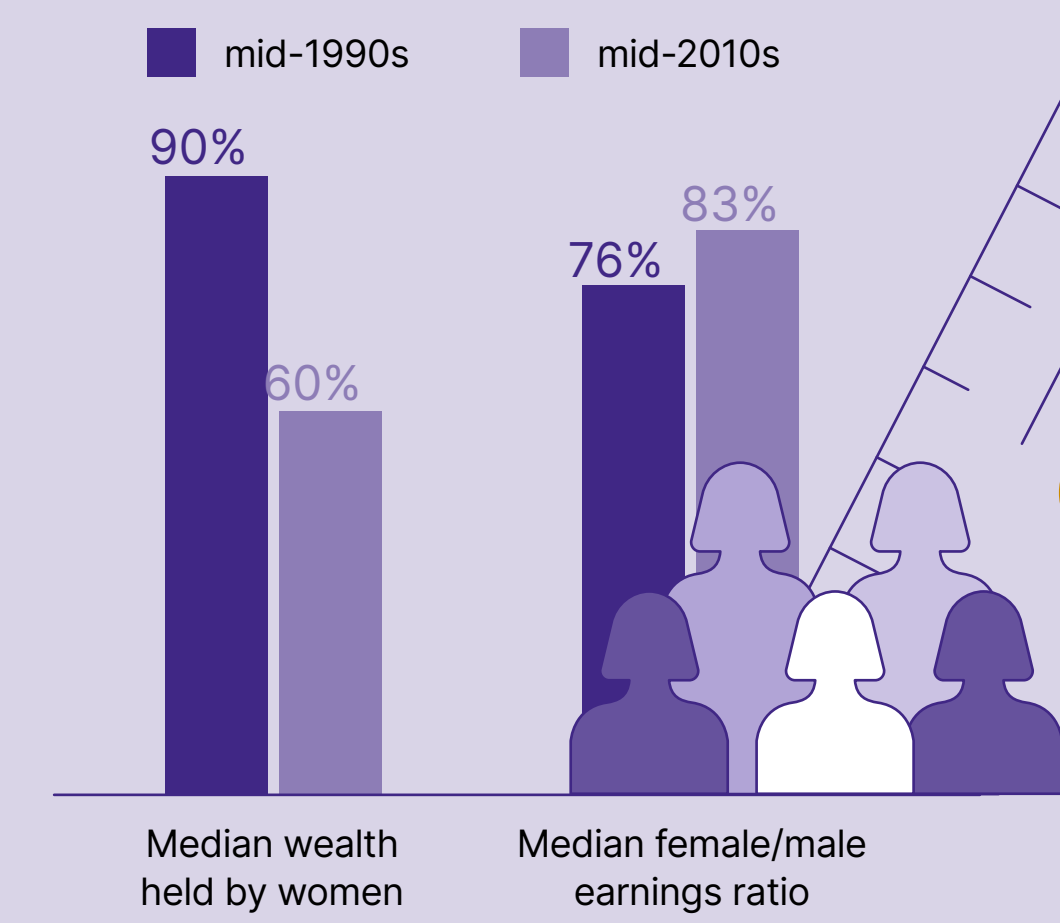


Sources: Conley & Ryyvicker 2004; Chang 2010; Ruel & Hauser 2013; Federici, 2004; Office of National Statistics 2016; International Labour Organization, 2024; International Labour Office Geneva, 2018.

Reducing the gender income gap isn't enough

17 While the gender income gap is narrowing, the gender wealth gap keeps widening.

In the US, for example, the median share of wealth held by women declined between the mid-1990s and mid-2010s, while the female/male earnings ratio increased.



18 In female-headed households, where lower risk financial resources are necessary, women often use accounts with lower return rates and invest in safer, lower-yield assets, contributing to the rise in the gender wealth gap.

Sources: Bureau of Labor Statistics, U.S. Department of Labor, The Economics Daily, Differences in women's and men's earnings by age, 1979-98 at <https://www.bls.gov/opub/ted/1999/jun/wk1/art04.htm> (visited April 22, 2025); Lee AW. The gender wealth gap in the United States: Trends and explanations. Soc Sci Res. 2022; Sep;107:102745. doi: 10.1016/j.sres.2022.102745. Epub 2022 Jun 3. PMID: 36058613.

Marriage laws affect women's wealth

19 In countries where property acquired during marriage is typically shared between spouses, women own a more equal share of wealth. This is the example of Ecuador, where women own **44%** of wealth within couples.

In contrast, where property is usually owned individually, the woman's share is much smaller: In Ghana, married women's share of couple wealth is **only 19%** and in India* **just 9%**.

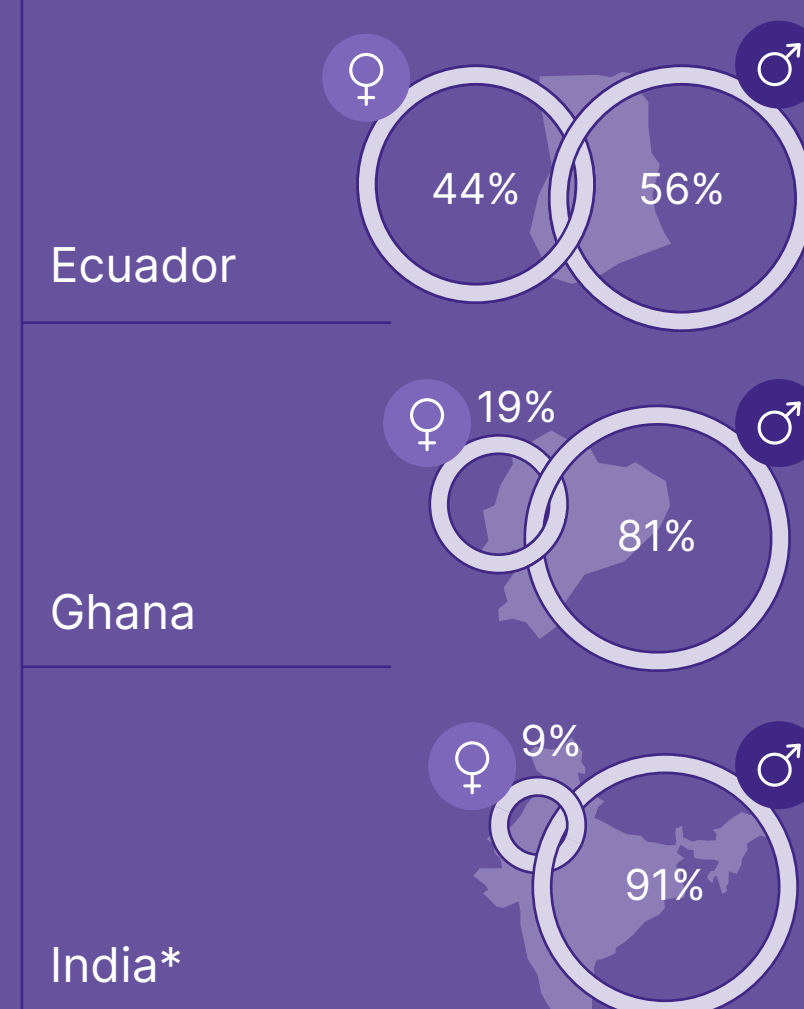
20 When marriages end due to divorce, abandonment, or death, women who lack assets are at a higher risk of falling into poverty.

In **15 sub-Saharan African countries**, over half of widows reported receiving **no asset inheritance**.

In contrast, in a study of 11 European countries, total household net wealth did not decline throughout widowhood for the majority of countries.

Sources: Lee AW. The gender wealth gap in the United States: Trends and explanations. Soc Sci Res. 2022; Sep;107:102745. doi: 10.1016/j.sres.2022.102745. Epub 2022 Jun 3. PMID: 36058613.

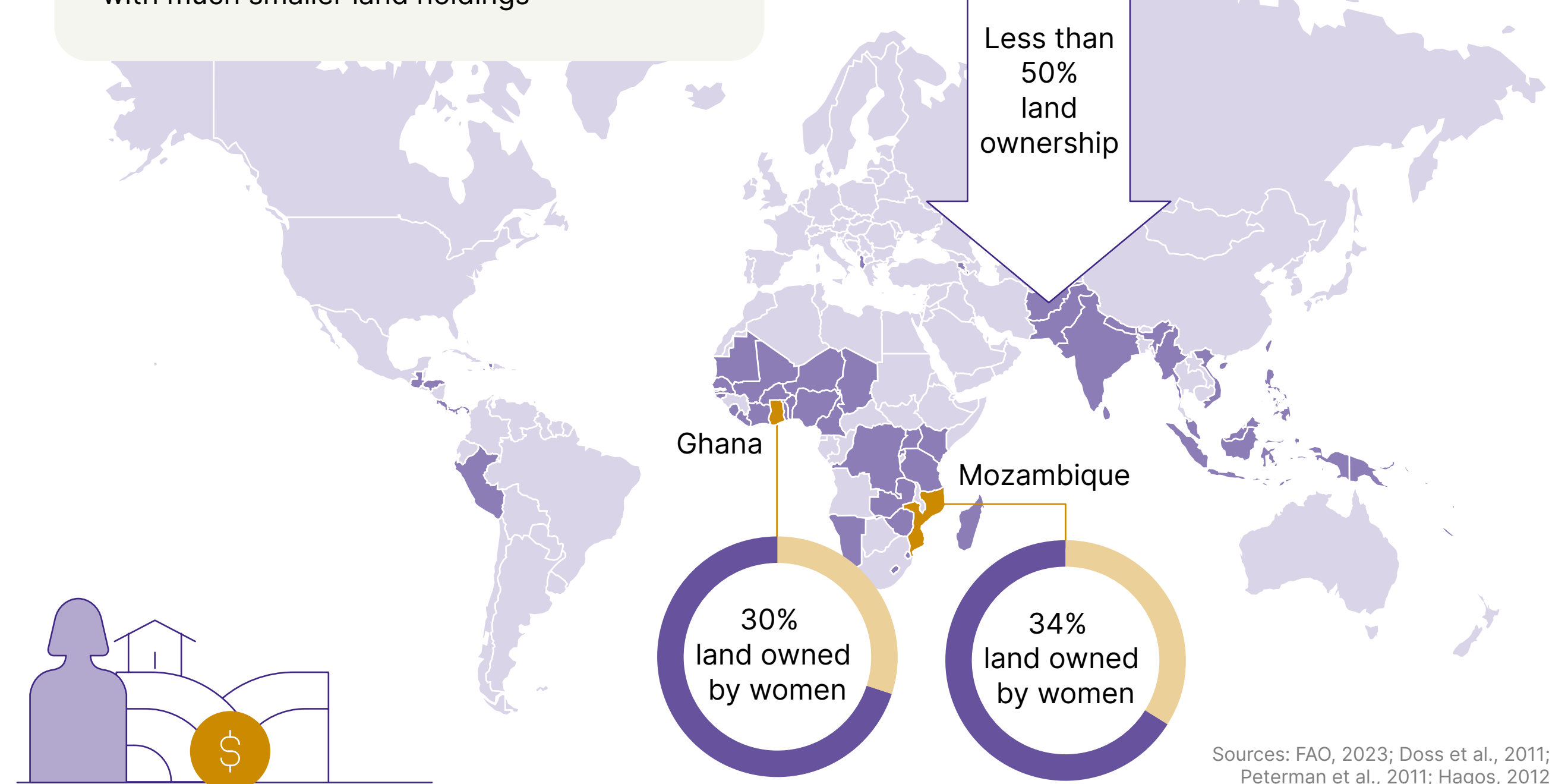
*In India, the state of Karnataka was selected as the case study as it is comparable in size, economy and population. Sources: Doss et al., 2011; Deere et al., 2013; Peterman, 2012; Panda & Agarwal, 2005; Kapelle and van Winkle, 2024



Land ownership is unequal

21 In 42 of the 49 countries in Africa, Asia and Latin America, women's share among land owners is **less than 50%**.

Examples include **Ghana**, where 70% of agricultural land parcels are owned by men, and **Mozambique**, where 66% of plots are owned and operated by men, leaving women with much smaller land holdings



Sources: FAO, 2023; Doss et al., 2011; Peterman et al., 2011; Hagos, 2012

What can we do?

Wealth, business or land ownership, as well as income levels, are not only relevant in themselves. They influence the types of education women can access, their housing, and the quality of healthcare they can afford.

Moreover, these factors affect the time women have for personal growth and their ability to access information and networks that can open doors.

All of these variables are key in securing upward social mobility. If women's jobs remain low-income and their conditions unstable, this will contribute to perpetrate the cycle of inequality that women face everyday around the world.

Evidence shows that empowering women uplifts entire communities, as their success creates a ripple effect, leading to more economically stable families and societies.



Whether through education, quality childcare, financial awareness, land redistribution or inclusive entrepreneurship, the projects supported by the Julius Baer Foundation connect groups across the wealth spectrum to collaborate on solutions that enable social mobility and equal opportunities.

As part of this approach, tackling the gender inequality challenge is both crucial and instrumental in reducing the wealth inequality gap in the interests of all.

Learn more about our projects and how they are tackling wealth inequality by investing in income generation and enterprise development, funding inclusive education, and building community infrastructure.

Learn more

60 facts on wealth inequality

Wealth and warming: the link between climate change and wealth inequality

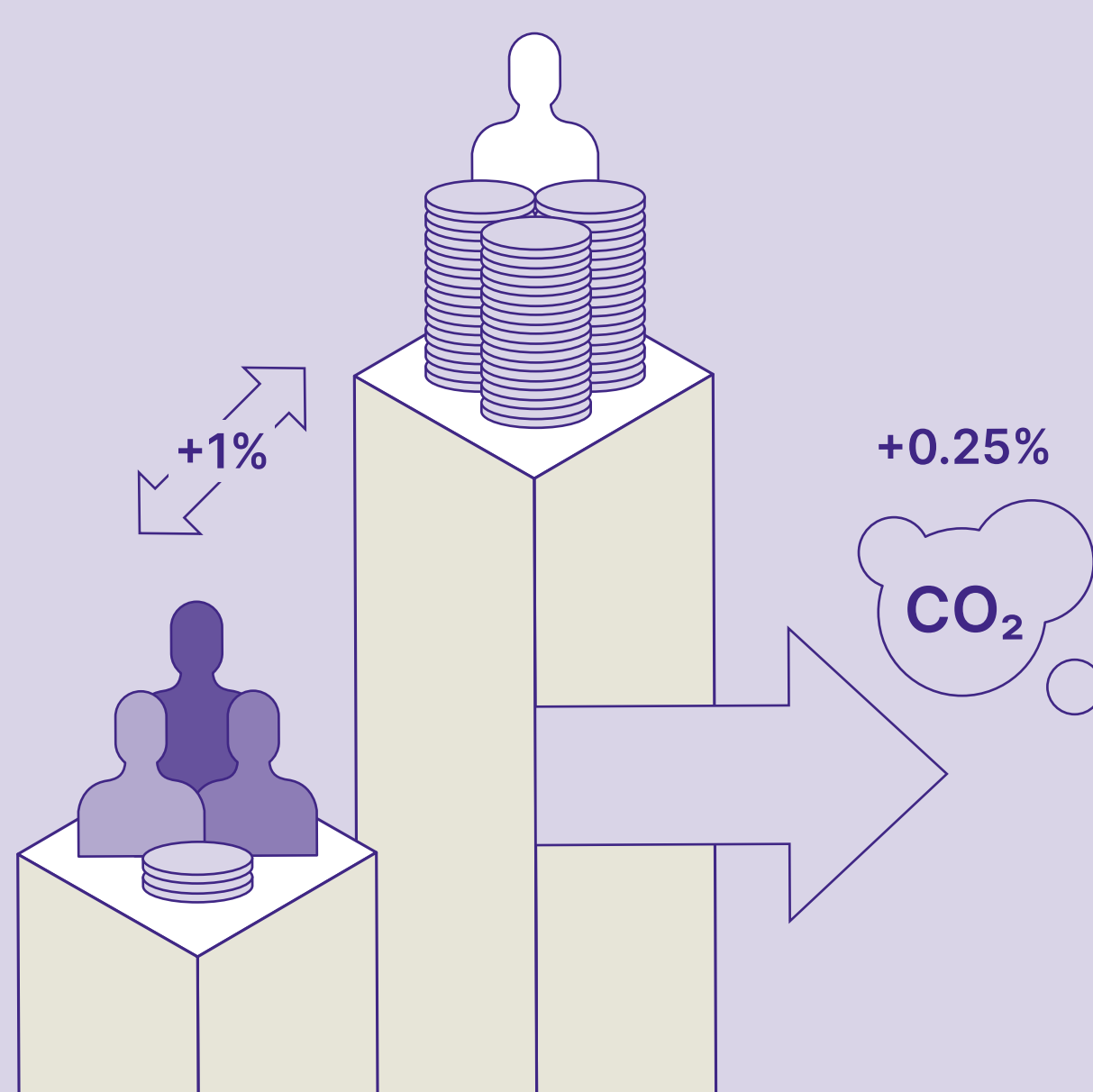
The Julius Baer Foundation's work focuses on reducing wealth inequality. To mark the Foundation's 60th anniversary, the '60 Facts' series shares 60 insights into this global challenge. This infographic examines the connection between climate change and wealth disparity, both within and between countries.

It highlights how low-income groups, often more exposed to climate-related risks due to their location and circumstances, are also more vulnerable and less able to cope. This is due to limited resources and inadequate social protection, further aggravating existing wealth inequalities.

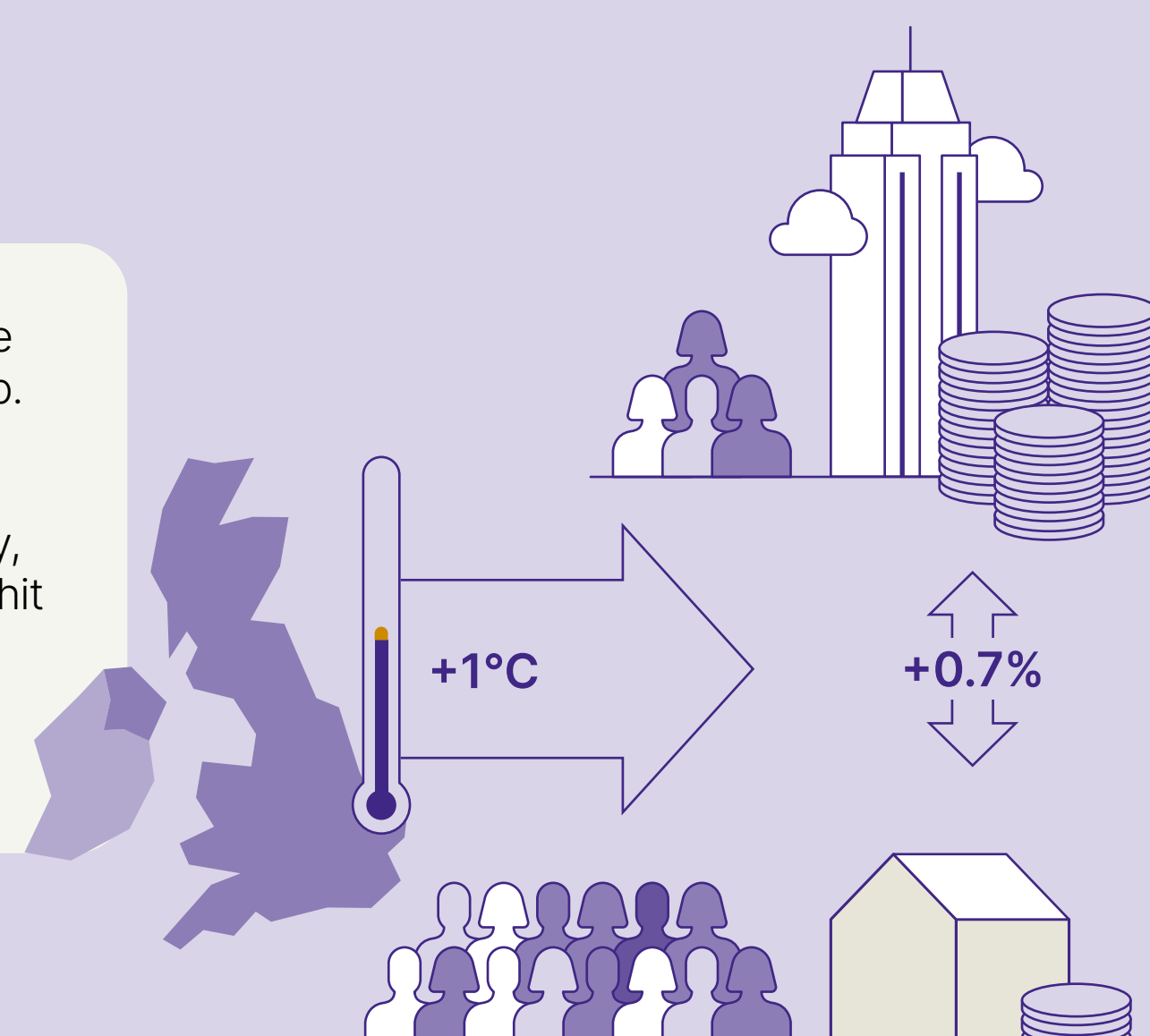
The carbon divide

22 A study of 17 countries (1995–2021) found that a **1% rise in wealth inequality** was linked to a **0.25% increase in CO₂ emissions**.¹

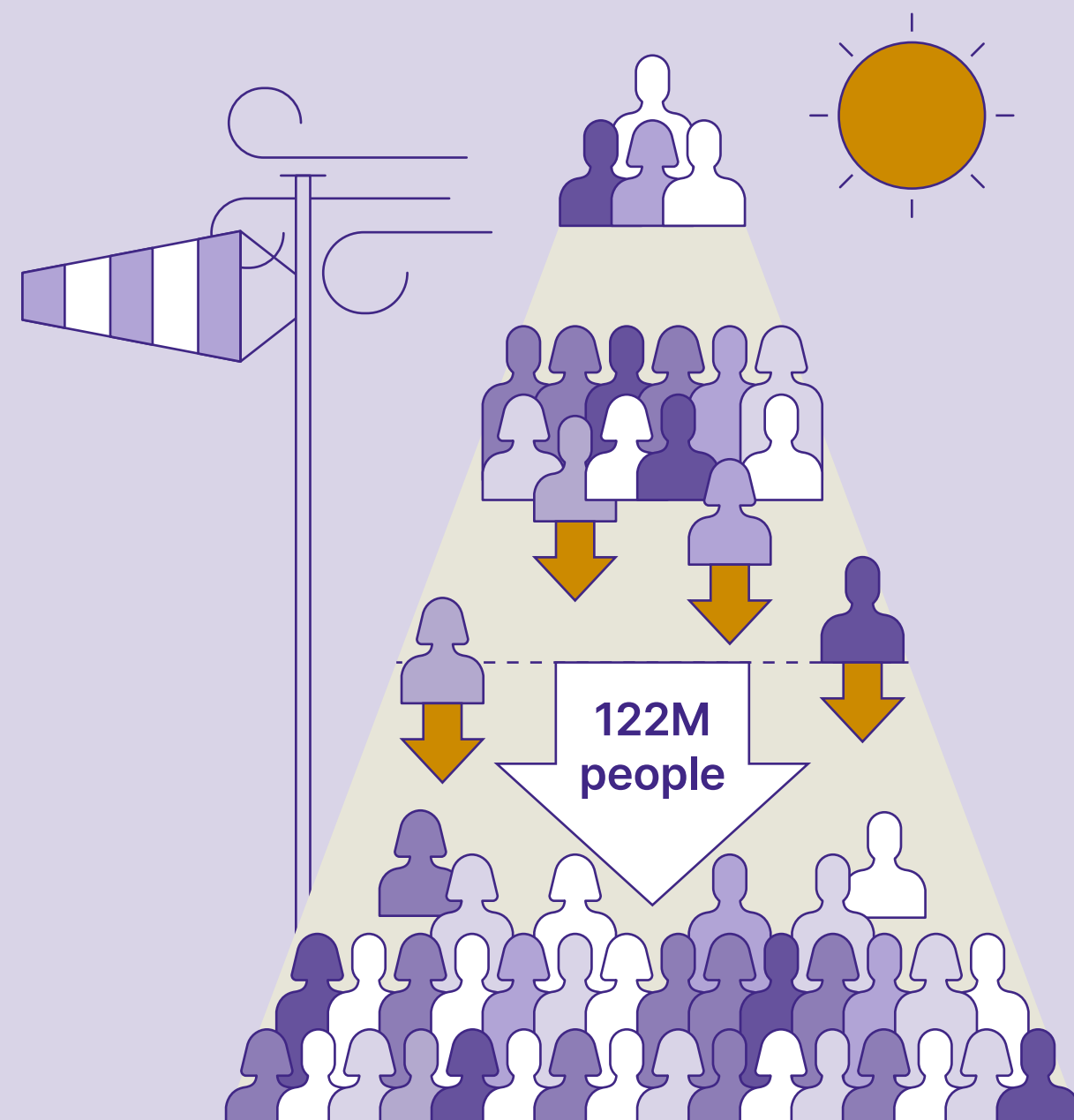
Why? Growing international economic competition and wealth gaps often push countries to prioritise economic growth over environmental protection, leading to weaker regulations and more polluting investments.



25 Even in wealthy countries, climate change can widen the wealth gap. In the UK, a 1°C rise in average yearly temperature is linked to a **0.7% increase in wealth inequality**, as lower-income households are hit harder, often living in poorly built homes vulnerable to heatwaves, floods & other risks.⁴



Increase in extreme poverty by 2030



26 Climate change affects wealth by damaging resources, shifting savings and investment behaviour, and changing expectations, leaving vulnerable communities hardest hit.

Under a high-impact scenario, the World Bank warns climate change could push 122 million more people into extreme poverty by 2030 without targeted policies.^{6,9}

*Targeted policies include social safety nets, investment in health infrastructure, and adapt technology and agricultural practices.

Global CO₂ emissions

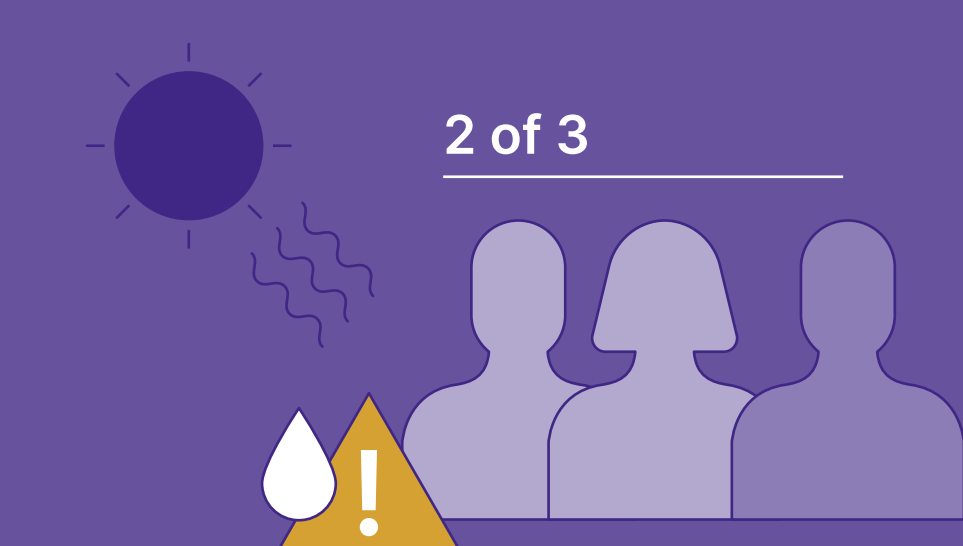


23 Globally, the richest 10% — approximately 630m people — account for **46% of total emissions growth**.²

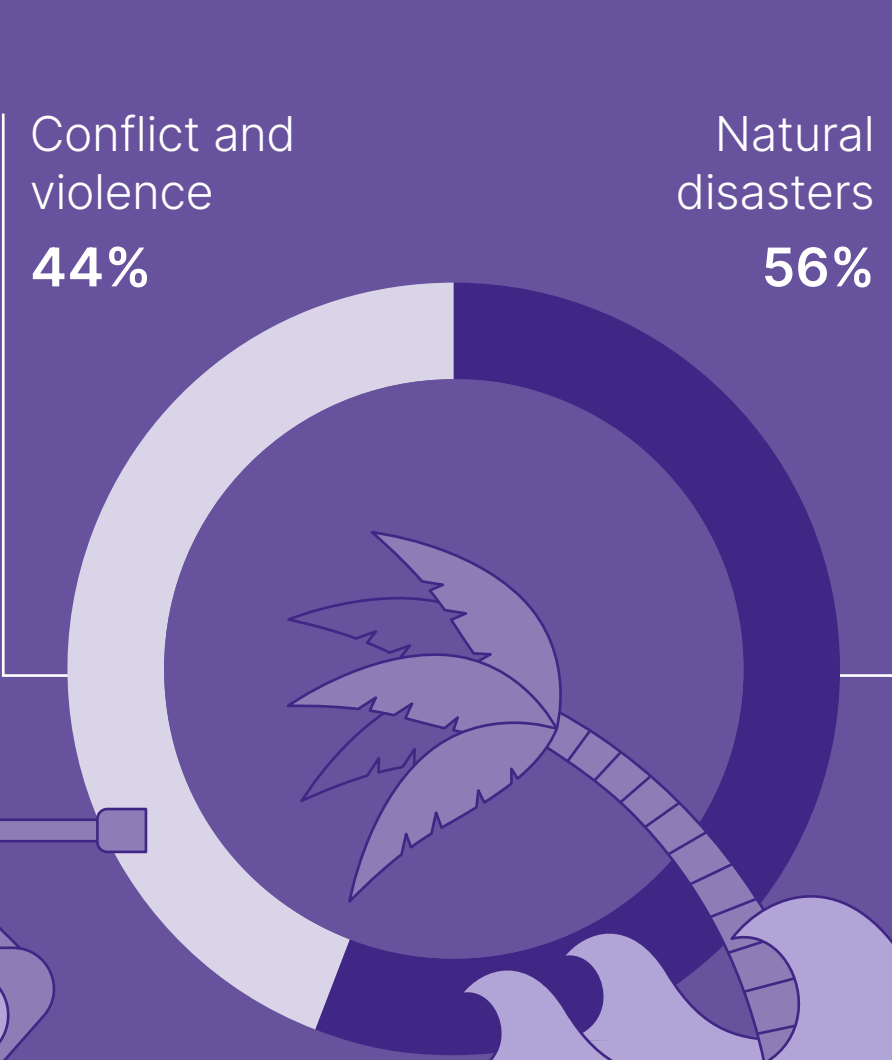
24 Impact on climate is driven in large part by investment portfolios, travel and consumption patterns, resulting in the top 1% earners contributing **16% of global carbon emissions**, vs **8%** by the poorest **50%**.³

Vulnerable planet, vulnerable people

27 Two out of every three people in the world already face serious water shortages for at least one month each year.⁸



28 The number of people affected by droughts is estimated to increase by up to **17%** by 2030 if greenhouse gas emissions reduction targets are not met.⁸



29 Of the 46.9 million people displaced in 2023, natural disasters accounted for about **26.4 million (56%)** — more than conflict and violence, which drove around 20.5 million (44%).⁷

30 Vulnerability to climate damage is **proportionally worse for low-income groups** compared to high-income groups due to a lack of resources and social protection. In five Middle East & North Africa countries, low-income families lost over twice as much income from climate-related impacts than the wealthiest.⁸

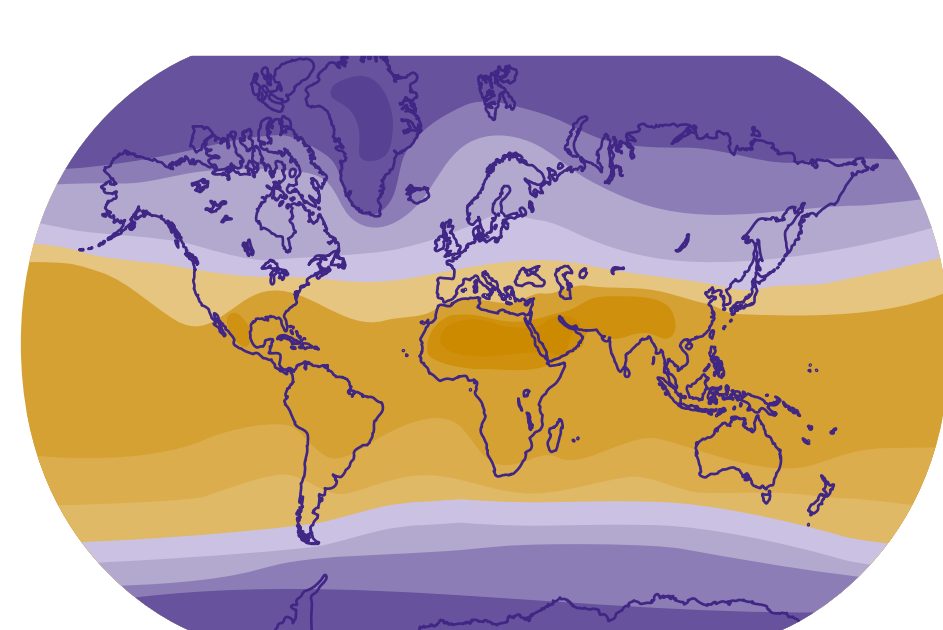
Why? Poorer families often have so little wealth that it is tied up in fragile assets — such as flood-prone homes or drought-affected livestock. Wealthier families, with far greater resources, can protect themselves by holding a large share of their wealth in diversified financial assets.⁹

Loss of income in five MENA countries due to climate-related impacts



Poles apart

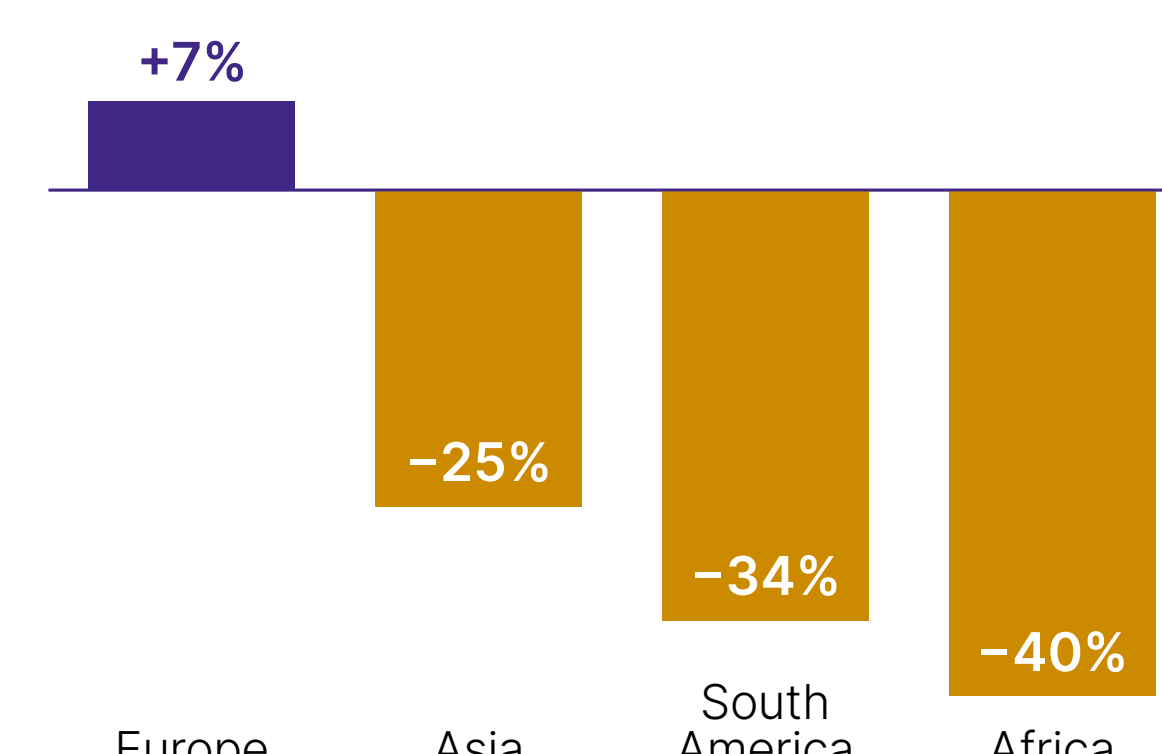
Per-capita change in GDP due to global warming



31 Global warming has increased per-capita GDP by ~10% in cooler, higher-latitude countries, like Norway, while reducing it by ~25% in some of the world's warmest countries, such as India.¹⁰

32 In a middle likelihood scenario* of greenhouse gas concentration, GDP would plunge by 40% in Africa, 34% in South America, and 25% in Asia, while rising by 7% in Europe.¹¹

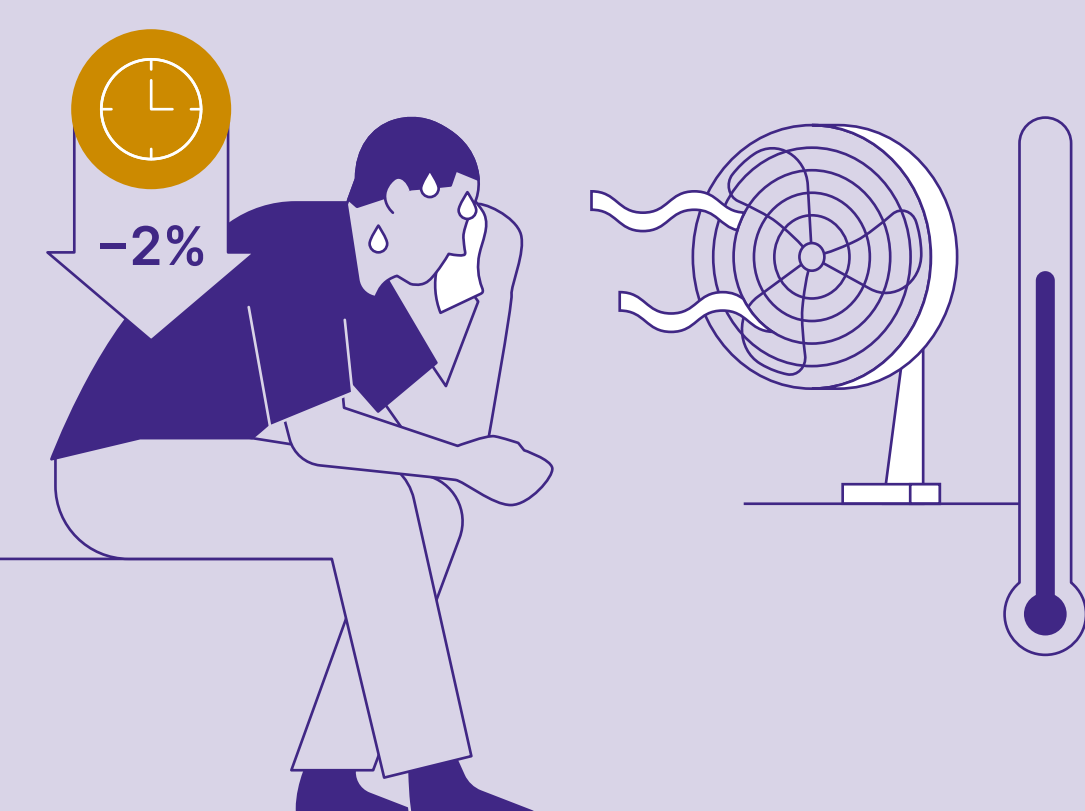
Projected GDP change under 3.5°C warming



*A warming of 3.5°C (6.3°F) in the global average temperature relative to the pre-industrial period, which corresponds to the scenario posted by the IPCC that keeps the pace of increase in greenhouse gas emissions approximately constant

Melting productivity

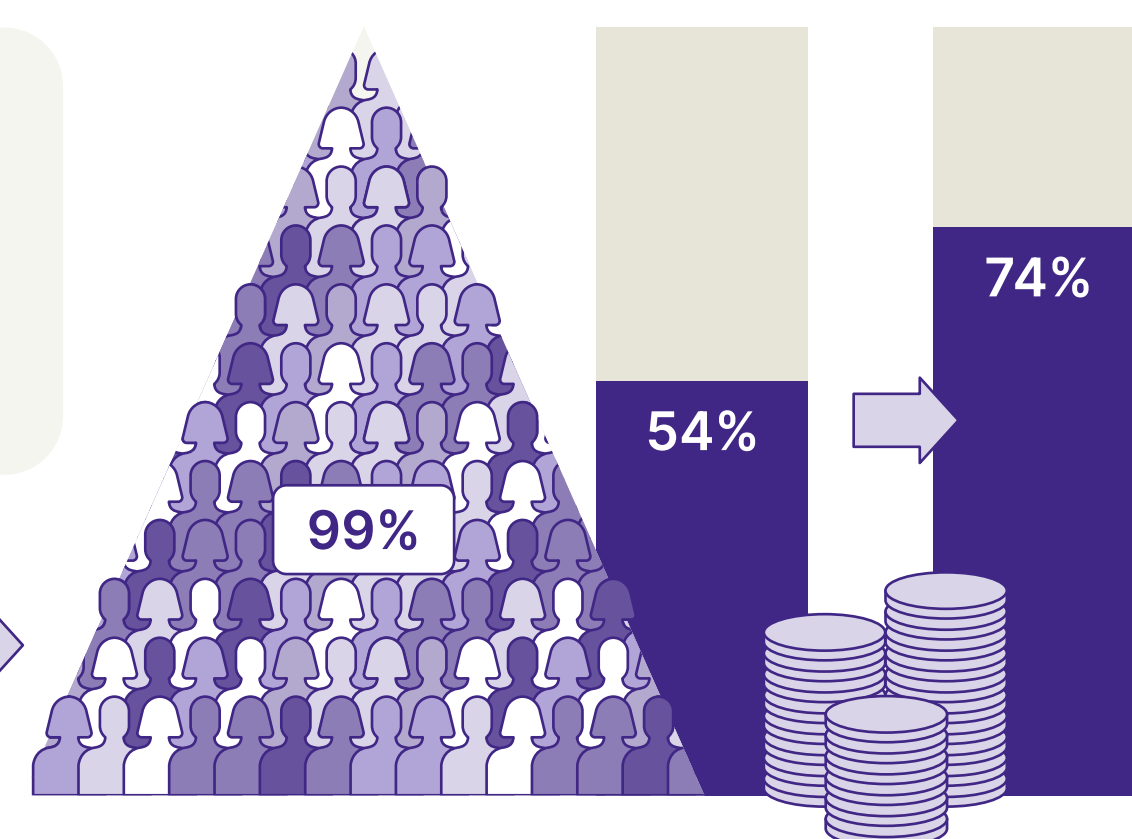
33 By 2030, rising temperatures could cut global working hours by 2% as people slow down or stop working in extreme heat. This is equal to losing **80 million** full-time jobs, costing the world economy about \$2.4 trillion annually.¹²



34 Without air conditioning, a 1°F hotter school year cuts learning by **1%**, with poorer districts hit harder than wealthier ones.¹³

The value of climate investments

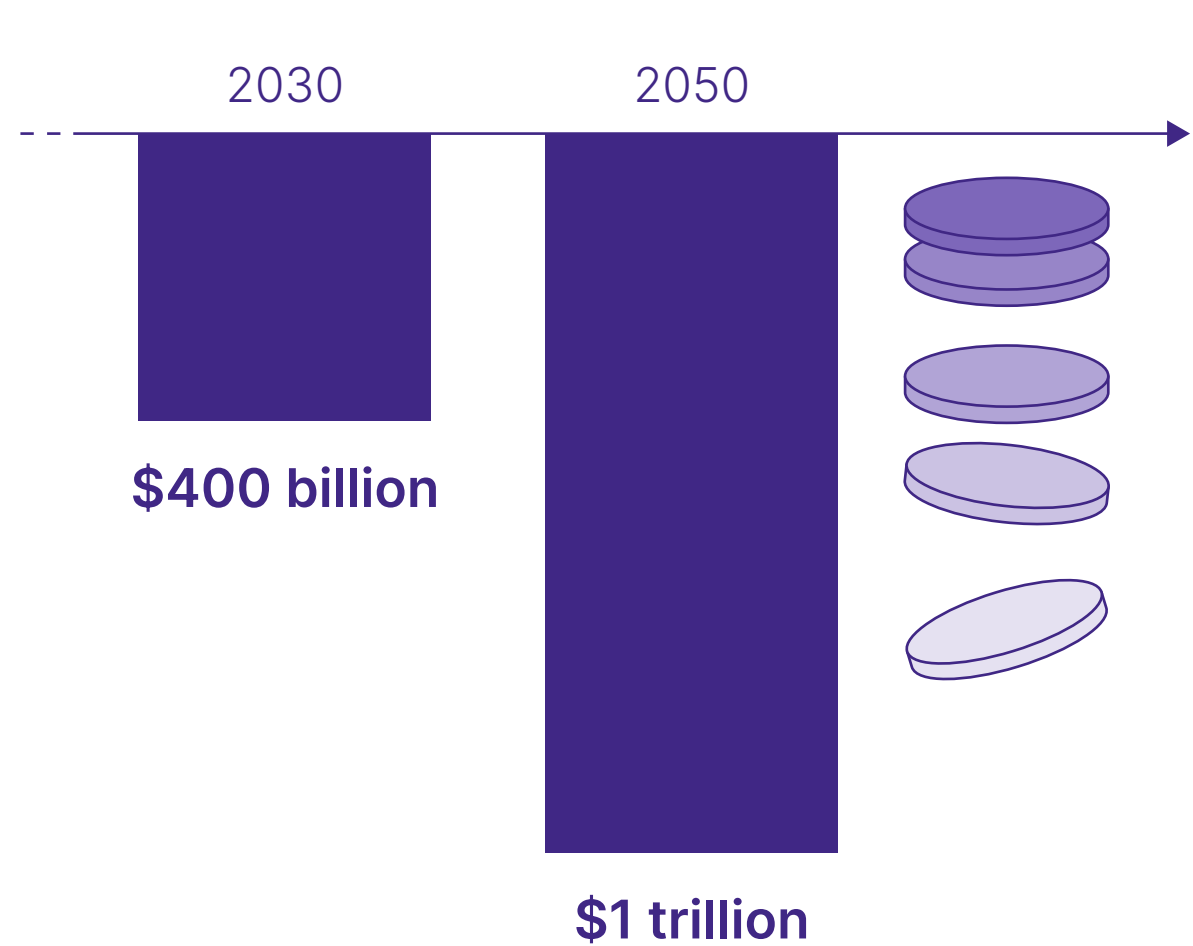
35 Financing choices can either deepen or reduce global wealth inequality. Strengthening public institutions to fund climate investments could raise the bottom 99% wealth share from 54% to **74%**.¹⁴



36 Funding for adaptation, especially for loss and damage, is grossly underprovided. Mitigation projects* have received approximately \$537 billion per year (93% of climate finance over 2017–2018), while adaptation finance averaged only about **\$30 billion per year (5%)**.¹⁵

*Mitigation is action to reduce emissions and limit warming that the planet will experience. Adaptation is practical steps to protect communities, economies, and environments from changes already happening or expected to happen.

Estimated loss for low-income countries under a 2°C scenario



37 Loss and damage costs for low-income countries range from \$400 billion per year by 2030 to \$1 trillion per year by 2050 under a 2°C scenario — and even higher if warming hits 3°C.¹⁶

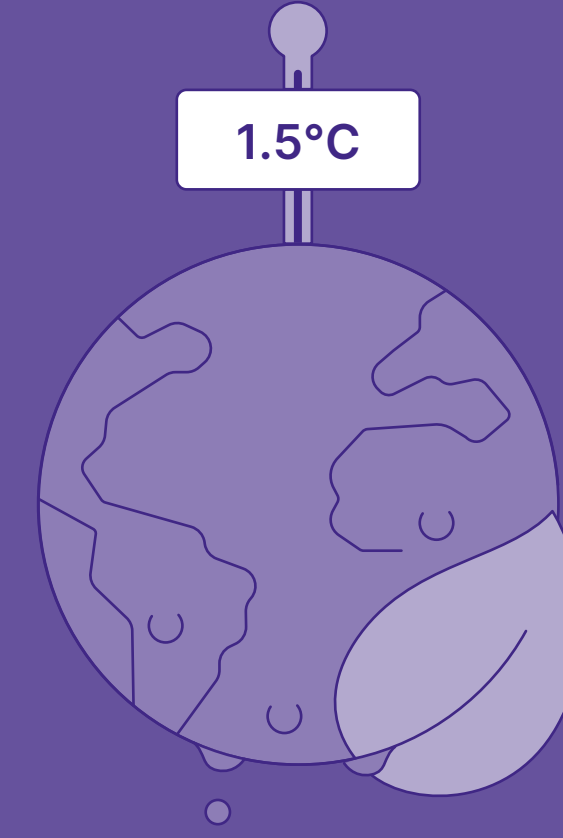
Solutions like the **Global Climate Stabilisation Fund and Resilience Funding Programmes** could provide upfront, unconditional aid to marginalised communities, funded primarily by major emitters.

The 'fair share'

Share of emissions reduction needed to meet the 1.5°C celsius target by 2030

European Union	-90%
United States	-71%
Japan	-69%
South Korea	-65%
Canada	-57%
Russia	-52%
Iran	-51%
Australia	-50%
Saudi Arabia	-49%
Mexico	-47%
China	-42%
South Africa	-34%
Turkey	-32%
Indonesia	-26%
Brazil	-25%
Vietnam	-20%
India	-2%
Nigeria	+57%

38 According to Climate Action Tracker, countries like the EU, US, and Japan — those that are wealthier or have historically been among the largest emitters — must make deep emission cuts to contribute fairly to the 1.5°C goal.¹⁷



What can we do?

Growing evidence reveals that wealth inequality is intricately linked to negative environmental impacts, serving as both a cause and a consequence.

To tackle the global 'wealth and warming inequality challenge', structural solutions implemented by regulators and public authorities are crucial. These include adaptation and mitigation measures, sustainable investment choices, and fair distribution of contributions.

Moreover, multi-stakeholder initiatives and collaborative networks play a vital role in driving meaningful change. In line with this approach, the Foundation supports pioneering projects that address the intersection of wealth inequality and climate change.

These initiatives focus on developing innovative solutions for biodiversity and nature conservation. They implement climate change adaptation and mitigation strategies that tackle existing imbalances and inequalities. Through these projects, the Foundation aims to promote practices that enhance household resilience, reducing the burden on those most vulnerable to climate-related stress.



1 Hacimamoglu, Tunahan, Oguzhan Sungur, Korkmaz Yildirim, and Mustafa Yapar. 2025. "Rethinking the Climate Change-Inequality Nexus: The Role of Wealth Inequality, Economic Growth, and Renewable Energy in CO2 Emissions" Sustainability 17, no. 8: 3335. <https://doi.org/10.3390/su17083335>
2 Wilkinson, Jane. 2021. "Building More Common Wealth in a Climate Changed World." The Round Table 110 (5): 546–563. <https://doi.org/10.1080/00358533.2021.1985263>
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13 Park, R.J., Goodman, J., Hurwitz, M., & Smith, J. 2020. Heat and learning. Am. Econ. J. Econ. Policy, 12(2), 306–339. <https://doi.org/10.1257/pol.20180612>
14 Chancel, L., Mohren, C., Botte, P., & Semieniuk, G. 2024. Climate change and wealth inequality: A literature review and numerical insights. World Inequality Lab.
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16 Baarsch, F., Lissner, T., Schleussner, C.-F., Granadillos, J., de Bruin, K., Perrette, M., Schaeffer, M., & Hare, B. 2015. Impacts of low aggregate INDCs ambition: Research commissioned by Oxfam.
17 Climate Action Tracker. 2023. See how every country is doing on cutting emissions. Retrieved from <https://edition.cnn.com/interactive/2023/12/us/countries-climate-change-emissions-cop28/>

60 facts on wealth inequality

The wealth barrier: blocking access to health and education

The Julius Baer Foundation's work focuses on reducing wealth inequality. To mark the Foundation's 60th anniversary, the '60 Facts' series shares 60 insights into this global challenge.

This edition examines evidence showing how wealth inequality restricts access to essential services such as healthcare and education. Even before birth, it can limit not only opportunities to learn and flourish, but also the most basic chance of survival.

Unequal starts, unequal futures: the class divide in wealth and education

39 Low parental wealth predicts lower education and income decades later. The college graduation rate for children whose parents are in the bottom quintile of wealth is **49 percentage points** lower than that of children whose parents are in the top quintile for wealth, even with similar test scores and high school grades.¹

The disparity reflects structural inequalities shaped by socio-economic context. Family wealth provides critical financial support, allowing students to cover tuition, living costs, and emergencies, reducing dropout risks and easing re-enrollment after setbacks. In contrast, indebtedness heightens the risk of non-completion. Wealthier students also benefit from stronger high school preparation while extended family resources and social capital further reinforce advantage.

40 Children from the wealthiest US families are **six times more likely to graduate** from college than those from the poorest. Only **9%** of children from the bottom 20% of the wealth distribution complete college, compared to **54%** in the top 20%.

The inequality begins early: the richest are **18 percentage points** more likely to finish high school, and **32 points** more likely to access college.²

Share of US children to complete college by wealth quintile

Wealth Quintile	Share of children to complete college
Bottom 20%	9%
Top 20%	54%

41 Across South Asia, asset inequality goes hand in hand with educational inequality. In countries such as India and Bangladesh, children from the poorest households have **50%** less average years of schooling and literacy rates than those from the wealthiest.^{3,4}

-50%

India, Bangladesh

More school, less inequality

42 Secondary education can reduce inequality. A study of 31 developing countries found that each additional year of secondary education reduced income inequality (as measured by the Gini index) by about **3.6 points**.⁵

This reflects how long-term investments in education can help build fairer, more inclusive economies.

+3.6pt YEAR 1, **+3.6pt** YEAR 2, **+3.6pt** YEAR 3

Wealth inequality impairs intergenerational upward social mobility

43 Wealth persists strongly across generations: in the US **44%** of adults born to parents in the top 20% of the wealth distribution remain in the top quintile themselves, while **35%** of those born to parents in the bottom 20% stay there—and **fewer than 6%** ever reach the top 20%.⁶

<6%, **35%**, **44%**

Bottom 20%, Top 20%

Born unequal: wealth and health inequality before day one

44 In 15 of the 16 sub-Saharan countries, wealth index* was the largest contributor to inequality in primary maternal care.⁷

45 In Tanzania, women from the richest households are nearly twice as likely to begin antenatal care in the first trimester compared to those from the poorest households—a **ratio of 1.97**.⁸

Early care is essential for maternal and newborn health, yet wealth inequality means that poorer women—often living in peripheral areas—face **daily barriers such as transport costs, loss of income from taking time off work, clinic fees, and limited information**. These obstacles delay their first antenatal visit, while wealthier women can access care quickly and easily, leading to earlier and safer pregnancy care.

46 Across 28 African countries, wealth inequality accounts for **at least 25%** of the maternal and child health care gap and **up to 50%** in countries like Nigeria, Mozambique, and Madagascar.

Closing wealth-related disparities could reduce the share of people missing essential maternal and child health services by **up to 56%** in some countries.⁹

56%

Nigeria, Mozambique, Madagascar

Wealth inequality blocks care for mothers and children

47 Poorer families consistently experience higher child mortality—and the gap widens with greater inequality.

In Nigeria and India, children born into the poorest households are **over 3 times less likely to reach their 5th birthday** than those born into the richest households.^{10,11}

+14.6 years

Bottom 1%, Top 1%

Longer life, lower inequality

48 Lower economic position is associated with shorter life expectancy globally. In the US, the gap in life expectancy between the richest 1% and poorest 1% of individuals is **14.6 years for men** and **10.1 years for women**.¹²

-0.11 pt

49 A study across 31 developing countries found that **each additional year of life expectancy is linked to a 0.11-point drop in income inequality** (measured by the Gini index).¹³

As people live longer, they contribute more fully to the economy—helping reduce inequality.

What can we do?

Education and health are key pathways to social mobility—but wealth inequality undermines both, even before birth.

Many children face health challenges from the start, due to inadequate prenatal and postnatal care, limited maternal healthcare, and poor nutrition. These early disadvantages are deepened by systemic inequalities in education, where success often depends more on family background and socioeconomic status than on ability or effort.

Denial of the basic rights to healthcare and education harms not only the world's poorest.

It deprives entire societies of contributions that could drive broader progress. The consequences ripple across the wealth spectrum.

Given the scale and persistence of these inequalities, incremental changes are insufficient. Urgent, transformative action is essential.

Levelling the playing field requires ensuring equal opportunities for every child from the start. Evidence consistently shows that longer, healthier lives and sustained investment in education lead to fairer, more inclusive economies—in the interest of everyone.

Mind the gap: The mental health price of wealth inequality

50 Mental illness is **3 times** more common in more unequal rich countries than in more equal ones.¹⁴

+3x

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60 facts on wealth inequality

Wealth inequality and the broken promise of digital equality

The Julius Baer Foundation's work focuses on reducing wealth inequality. To mark the Foundation's 60th anniversary, the '60 Facts' series shares 60 insights into this global challenge. This final edition examines how digitalisation and automation intersect with wealth inequality worldwide.

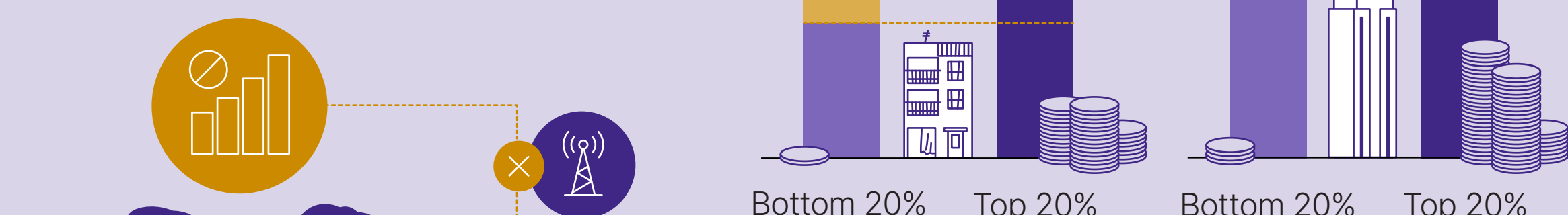
While investment in digital infrastructure can unlock opportunities and foster inclusive growth, inadequate social protection and public services often leave low-income groups most exposed to the risks of economic and technological change—deepening existing inequalities.

Digital divides are income divides

51 People in low-income countries are **four times less likely** to use the internet than those in high-income countries. This reflects significant differences in digital infrastructure and affordability.¹



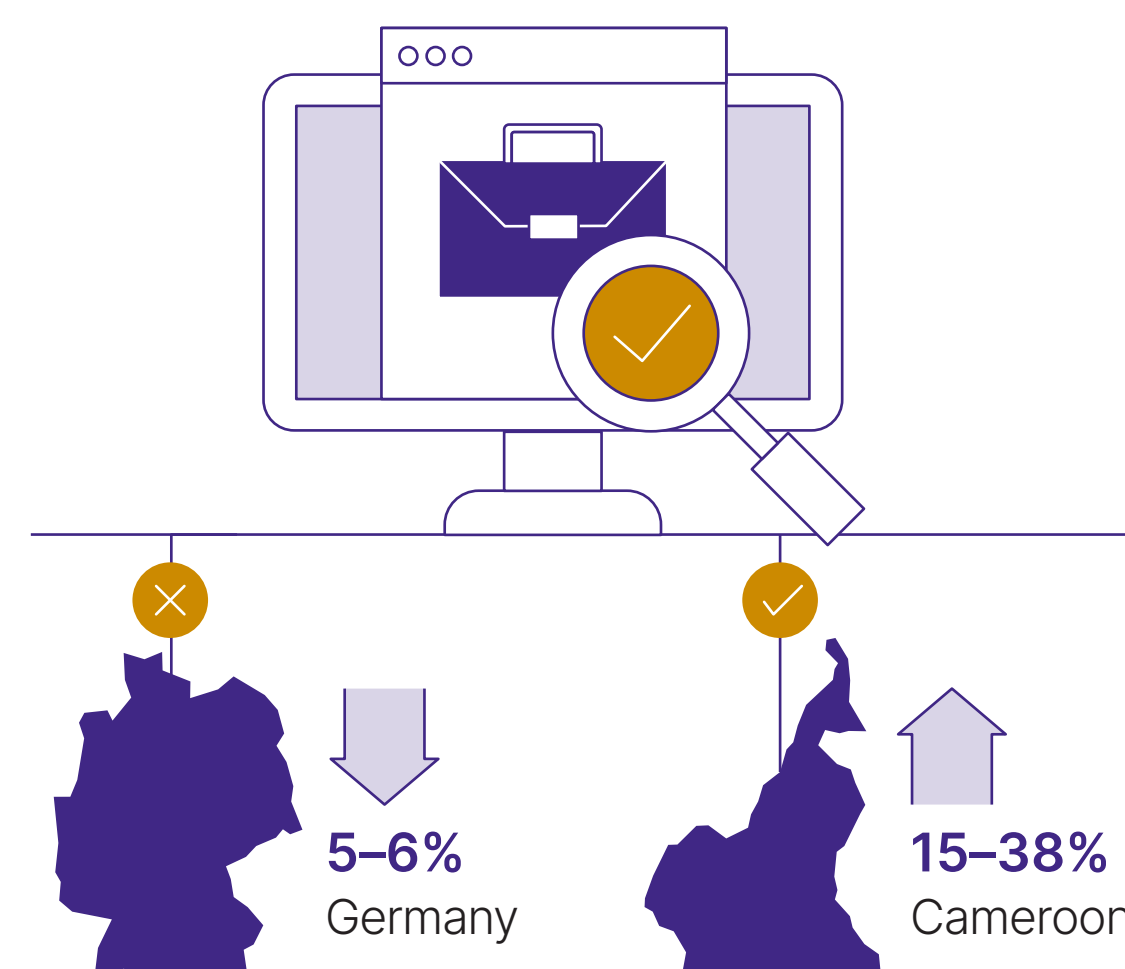
52 The poorest 20% are 64% less likely than the richest 20% to use the internet in least developed countries, compared with 11% in high-income countries.²



People with lower incomes are far more likely to be digitally excluded because they live in areas without coverage, face greater barriers to adopting mobile internet, have lower literacy and digital skills, and are much less able to afford devices and data.

Left offline, left behind: no internet, fewer job prospects

53 Internet availability influences access to the labour market across countries. In **Germany** workers without home internet access are **about 5-6 percentage points less likely** to find a job than those that had home internet.³



In **Cameroon**, internet use increases the probability of finding a job, for all workers across age group by between 15 and 38%.⁴

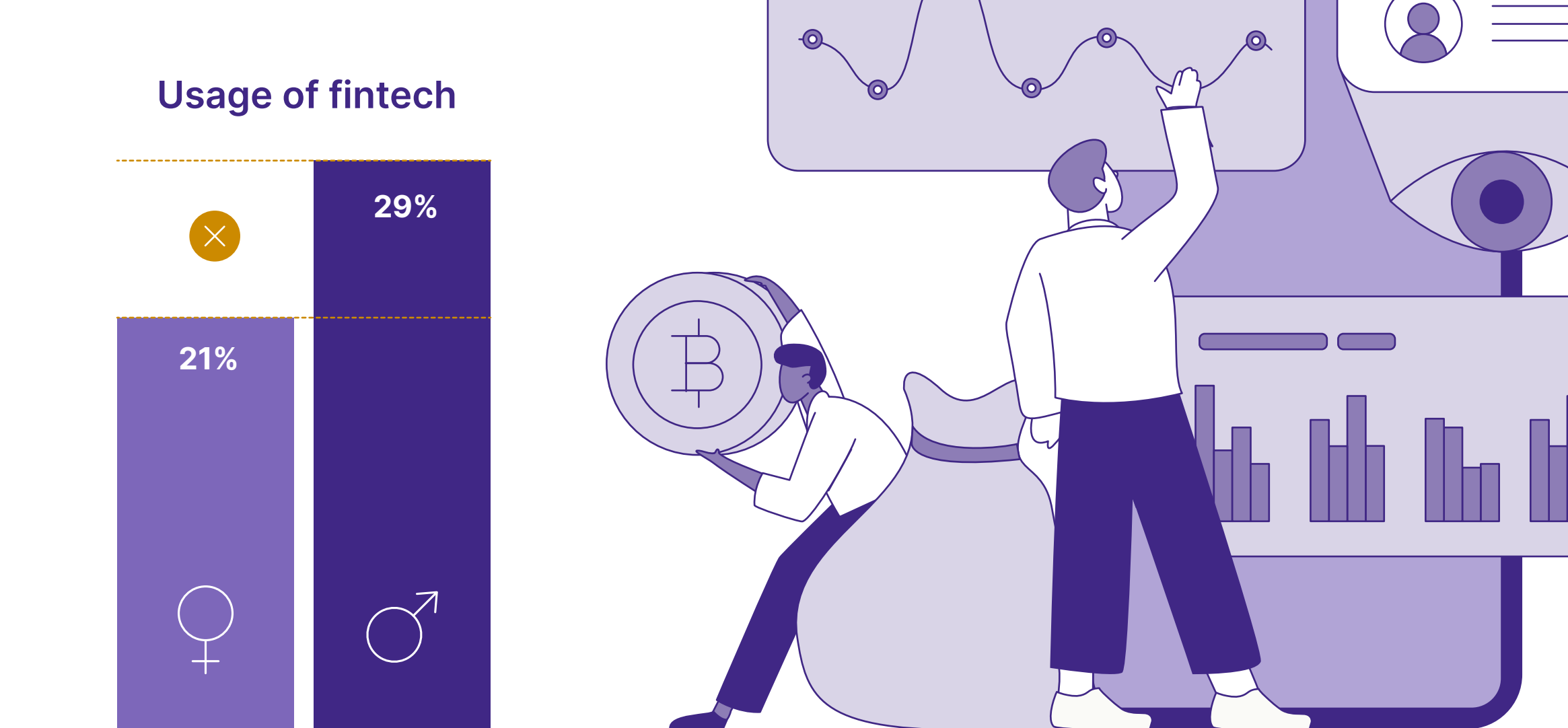
The automation divide: Higher risks in the Global South

54 40-70% of workers in labour-intensive sectors in Southeast Asia (Cambodia, Indonesia, Philippines, Thailand, Vietnam) are at risk of being replaced by automation⁵ — compared to just 14% in OECD countries.⁶



Designed by men, for men: How fintech fuels the digital gender divide

55 Globally, 29% of men use fintech vs. 21% of women. This gap persists not because of income or education, but because most fintech platforms are built for male users.

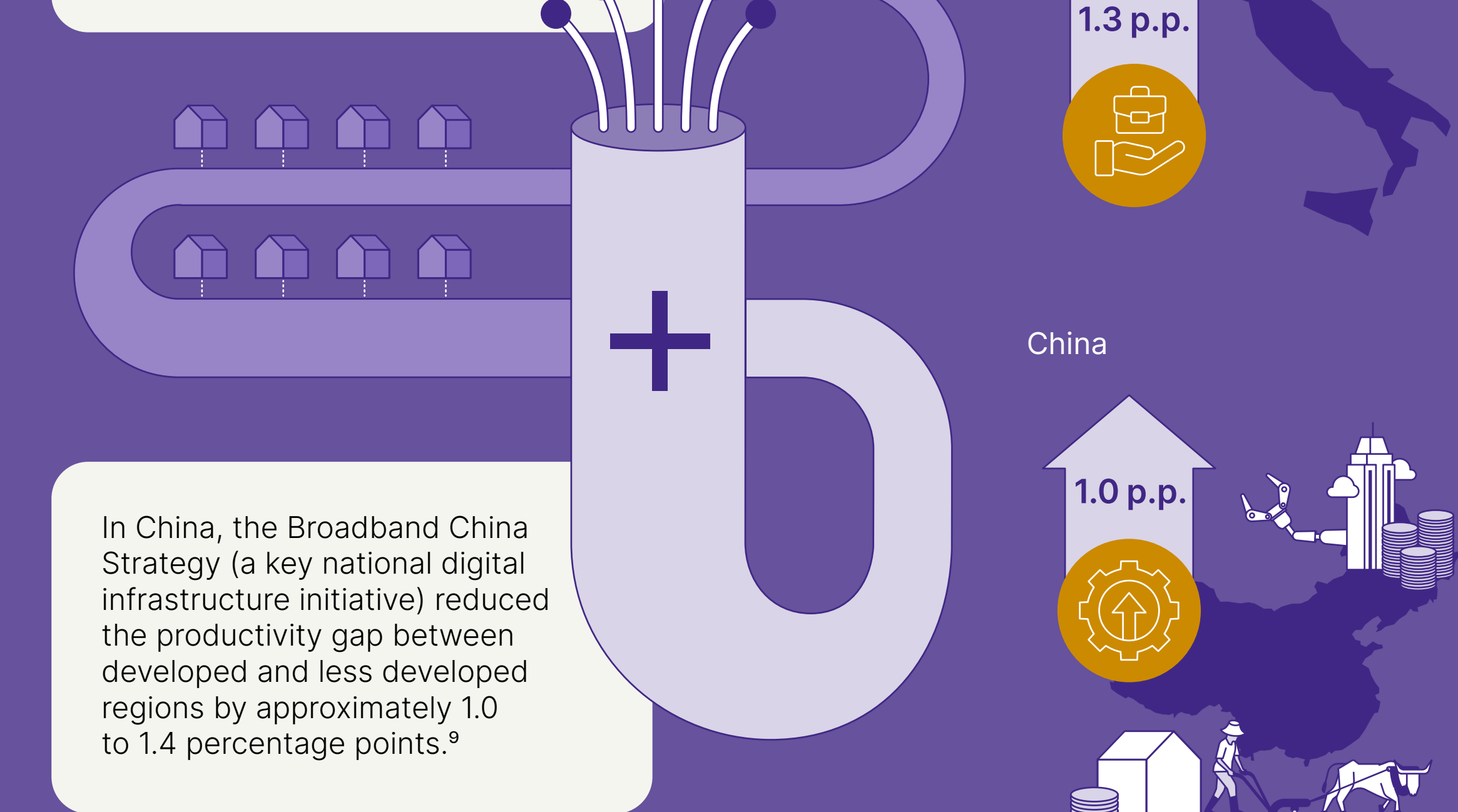


- Data-heavy sign-ups deter women, who are more cautious about sharing personal info
- Interfaces assume tech confidence more common in men
- Features prioritise risk and fees over stability and trust — values women often rank higher
- Sign-up processes ignore lower smartphone ownership among women

When design accounts for differing digital behaviours, the usage gap closes by up to 60%.⁷

Digital infrastructure drives inclusive growth ...

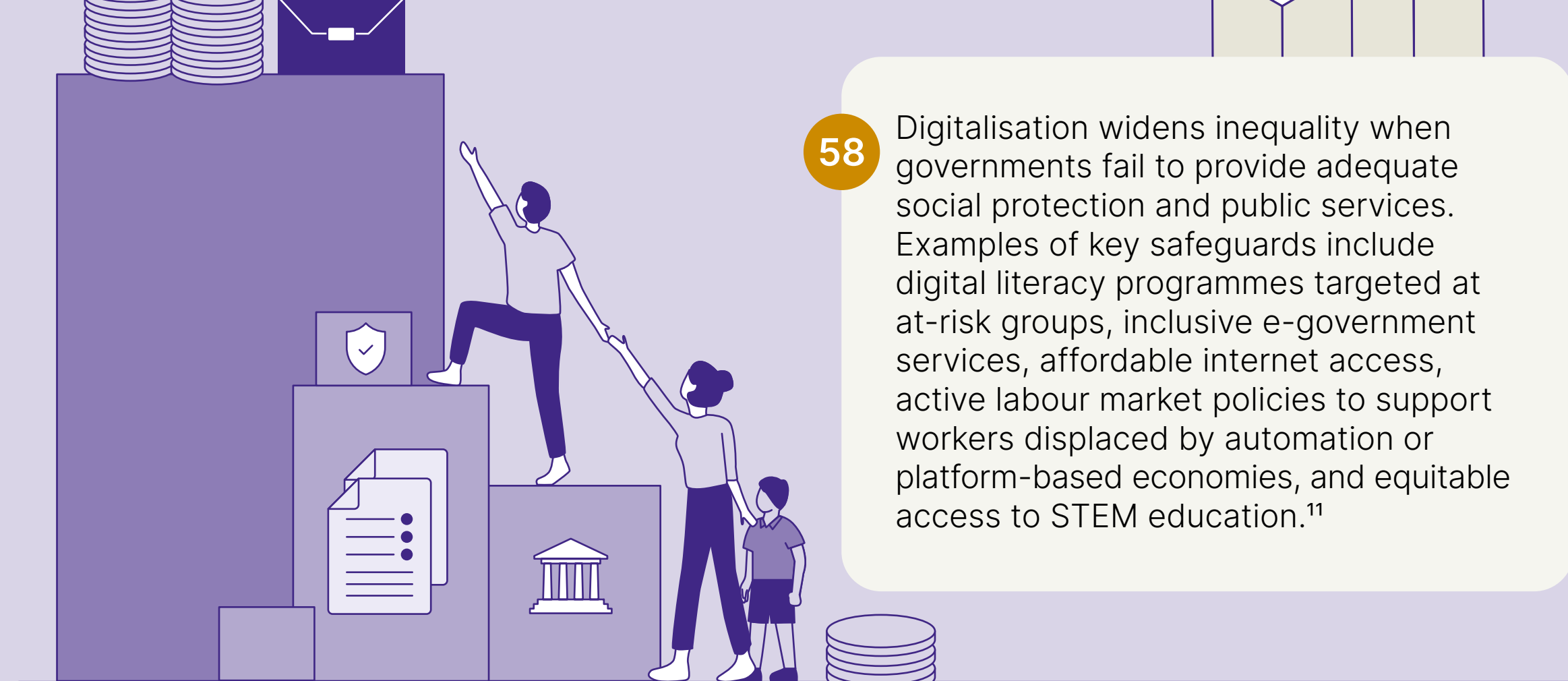
56 Broadband expansion increased local employment by 1.3 percentage points in Italy.⁸



In China, the Broadband China Strategy (a key national digital infrastructure initiative) reduced the productivity gap between developed and less developed regions by approximately 1.0 to 1.4 percentage points.⁹

... But technological innovation widens inequality without inclusive policy

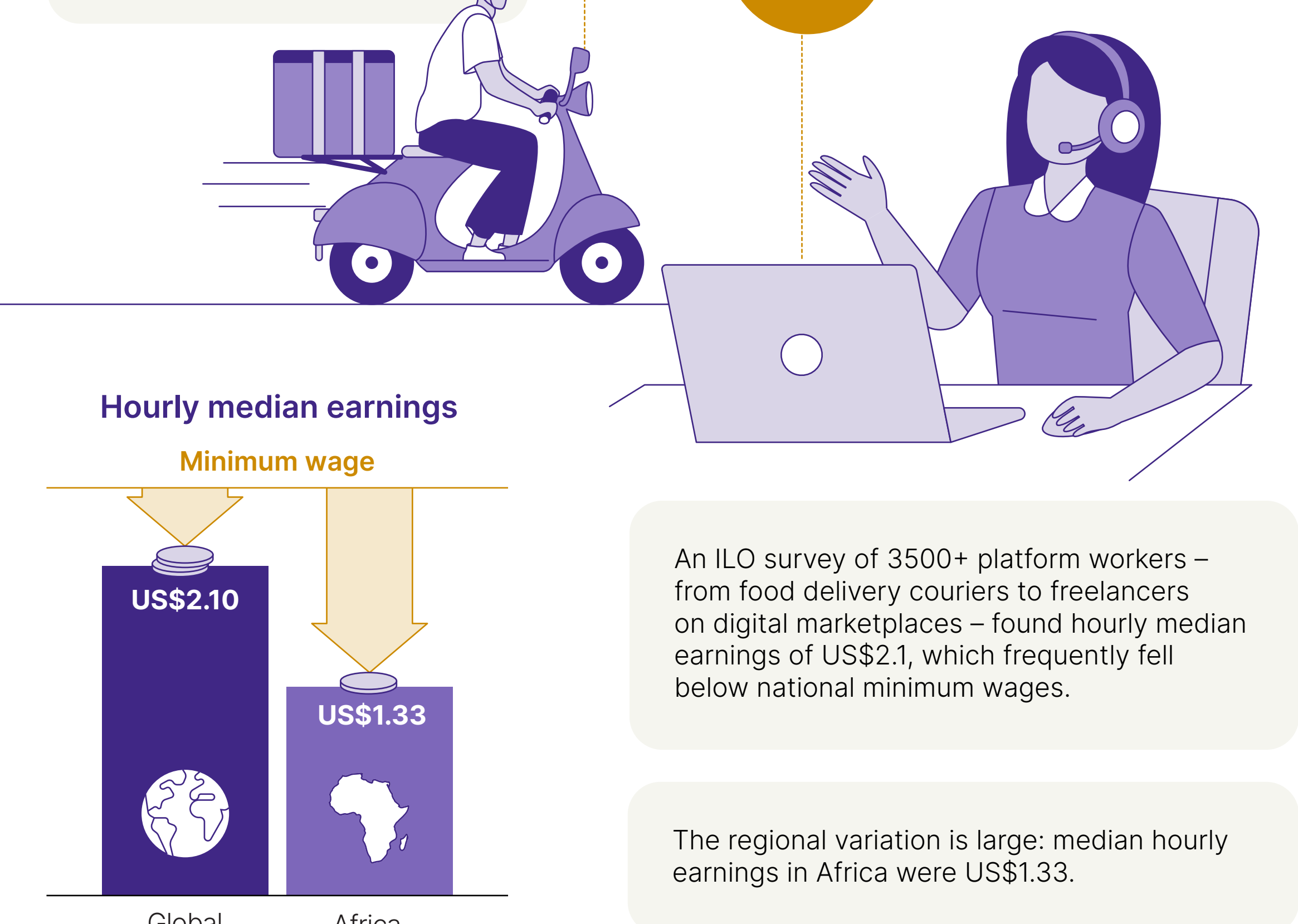
57 Across 140 European regions, a 10% increase in technological innovation is associated with a 1.3% increase in income inequality.¹⁰



58 Digitalisation widens inequality when governments fail to provide adequate social protection and public services. Examples of key safeguards include digital literacy programmes targeted at at-risk groups, inclusive e-government services, affordable internet access, active labour market policies to support workers displaced by automation or platform-based economies, and equitable access to STEM education.¹¹

Digital labour: The distribution of work and wealth

59 Digital platform workers globally regularly earn below the minimum wage.¹²

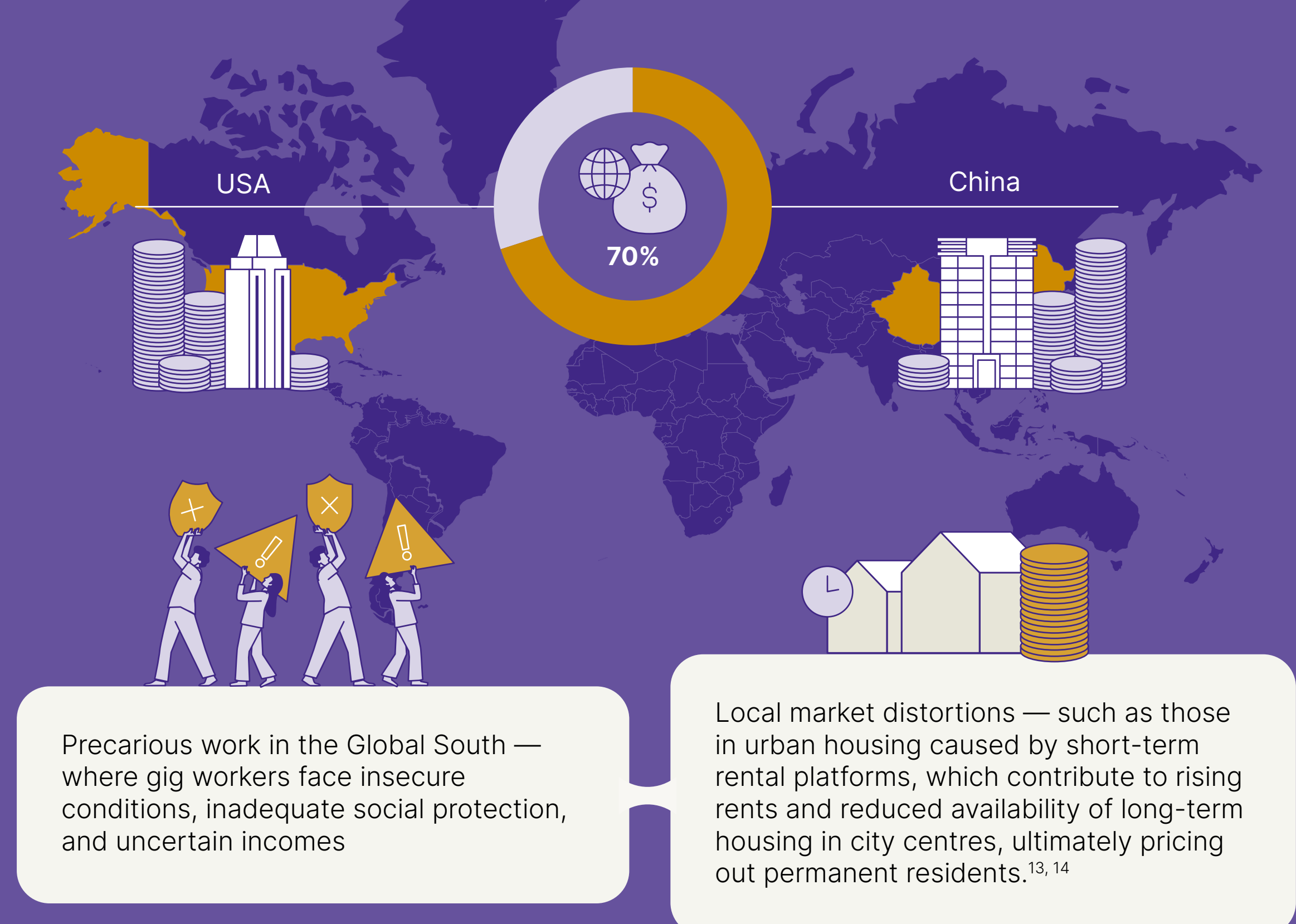


An ILO survey of 3500+ platform workers — from food delivery couriers to freelancers on digital marketplaces — found hourly median earnings of US\$2.1, which frequently fell below national minimum wages.

The regional variation is large: median hourly earnings in Africa were US\$1.33.

The platform paradox: Centralised gains, dispersed risks

60 Around 70% of global platform revenue flows to companies in the US and China. Meanwhile, the costs are borne far from headquarters:



Precarious work in the Global South — where gig workers face insecure conditions, inadequate social protection, and uncertain incomes

Local market distortions — such as those in urban housing caused by short-term rental platforms, which contribute to rising rents and reduced availability of long-term housing in city centres, ultimately pricing out permanent residents.^{13, 14}

What can we do?

Globalisation and digital technologies arrived with the promise of universal access and greater opportunities for upward social mobility, especially for the world's most vulnerable. Yet evidence shows that, without proper regulation and investment in inclusive growth, many of the poorest face only the risks—marginalisation and exclusion—while benefits and wealth remain concentrated in the hands of a few.



These imbalances within the value chain exacerbate wealth inequality. Bridging the gap requires effective regulation and investment in infrastructure, connectivity, and skills aligned with the demands of the global labour market—to enable fair and inclusive growth across countries and income levels.

Through initiatives in digital upskilling, support for enterprises committed to fair labour practices, and community-based infrastructure development, the Julius Baer Foundation fosters sustainable income generation and enterprise growth that benefit everyone along the value chain. These efforts demonstrate that, through collaboration and shared knowledge, we can build more equitable, prosperous societies—where everyone has the chance to learn, contribute, and thrive.

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