G20
SOUTH AFRICA 2025

TECHNICAL NOTE: G20 EXTRAORDINARY COMMITTEE OF INDEPENDENT EXPERTS ON GLOBAL INEQUALITY REPORT

Commissioned by the
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Solidarity

Equality

Sustainability

1. Nationally, 83% of countries have high income inequality accounting for 90% of the world's population

The World Bank defines high inequality as Gini above 0.4. The World Bank relies primarily on household survey data and puts the number of economies with high inequalities at 49, equivalent to a fifth of the countries with available data.[1] Survey data underestimates inequality due to its inability to capture top incomes.

Using this definition we have used the data from the World Inequality Database[2] that combines data from different sources including national accounts, survey data, fiscal data, wealth rankings and household surveys to estimate income and wealth distribution.[3] Out of 209 countries and territories, 174 of them have a post-tax income Gini above 0.4. These countries accounted for 7.4 billion people in the world as of 2024, or 90% of the world's population.

TABLE 1.0: POST-TAX GINI FROM WORLD INEQUALITY DATABASE DATA

	Post-tax income Gini		
	High	Medium	Low
Share of countries/territories, %	83.3	10.5	6.2
Share of total population, %	90.2	7.1	2.7

2. Since 2000, the income share of the top 1% has increased in nearly half (47%) of the world's countries—home to 68% of the world's population

According to data from the World Inequality Database[4] for 209 economies, the share of pretax incomeheld by the richest 1% increased in 98 economies, or 47% between 2000 and 2023. In total, these economies are home to 68% of the global population.

3. Average pretax income in the bottom 50% increased by only $358 between 1980 and 2023, while that in the richest 1% increased by $191,000, or 534 times as much.

Data from the World Inequality Database[5] shows that at market exchange rates in constant 2024 prices, the average pretax income in the bottom 50% increased from $406 in 1980 to $764 as of 2023, or $358. On the other hand, average income in the top 1% increased from $226,496 to $417,441 over the same period, a total of $191,000.

4. The share of national income going to capital as opposed to labour has risen in the majority of countries for which we have data.

Data from the World Inequality Database[6] shows that for the 209 economies the share of capital in the total national income at factor price increased in 117 economies, equivalent to 56%. The 117 economies are home to 74% of the world population in 2024. Globally, the share of capital income in the national income at market exchange rate has increased by 18% since 1990.

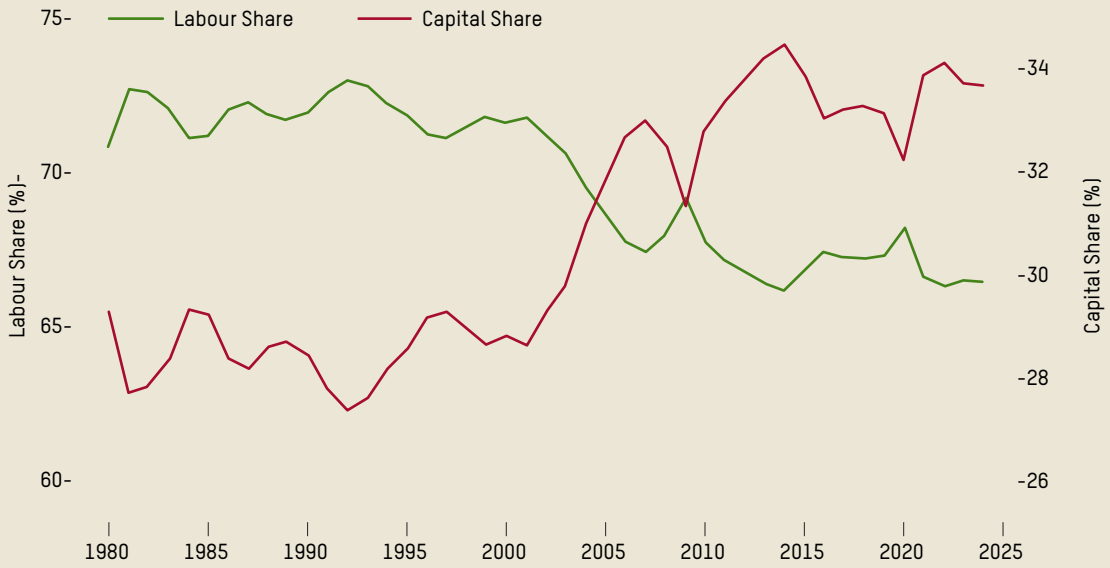
5. Between 2000 and 2024, the richest 1% captured 41% of all new wealth, in contrast to just 1% being captured by the bottom 50%. The richest 1% have seen their average wealth increase by USD 1.3 million between 2000 and 2023, while those in the bottom 50% had an average increase of $585. This means the increase for the top 1% was 2,655 times more than the average for someone in the bottom half of humanity

Data from the World Inequality Database shows that global wealth rose from $200 trillion in 2000 to $480 trillion in 2024 in constant 2024 prices, an increase of $280 trillion.

As the wealth distribution series was not available for 2024, we applied the total global wealth in 2024 to the 2023 distribution series. In 2023, the richest 1% held 42.31% of the global wealth while the bottom 50% held 0.77%.

As such, the total wealth of the top 1% rose from $88 trillion in 2000 to $203 trillion as of 2024, an

FIG 1.0: EVOLUTION OF LABOUR AND CAPITAL IN THE NATIONAL INCOME



Source: World Inequality Database and authors. Note: Capital and labour share in total national income at facctor price.

increase of $115 trillion, or 41% of the total new global wealth created over the same period. On the other hand, total wealth in the bottom 50% rose from $699 billion to $3.7 trillion, an increase of about $3 trillion, or 1% of the total global wealth created over 2000-2024 period.

The average wealth in the top 1% rose from $2.36 million in 2000 to $3.65 million in 2023, a $1.3million increase. On the other hand, average wealth in the bottom 50% increased from $174 to $659 over the same period, an increase of $585. In other worlds, the top 1% increased their average wealth 2,655 times as much than the bottom 50%.

6. Nationally, in more than half of all countries the top 1% have a share of the wealth above 27%, 7 times the share of the wealth for the bottom 50%.

Data from the World Inequality Database shows that in 2023, the median share of wealth held by the richest 1% was 27% for the 210 economies, while the median share of wealth for the bottom 50% was 3.8%.

7. Between 2000 and 2023 the richest 1% increased their share of the wealth in over half of all countries, covering 74% of the global population.

Data from the World Inequality Database shows that of the 209 economies, the share of wealth held by the richest 1% increased in 110 of them, or 52.6%. The 110 economies accounted for 74% of the global population in 2024.

8. The wealth of the world's 3000+ billionaires is now the equivalent of 16% of global GDP.

The IMF projects that global GDP will be $113.8 trillion in 2025.[7]

According to Forbes real-time billionaires list as of end September there were 3,126 billionaires with a combined wealth of $18.22 trillion. This is equivalent to 16% of the global GDP.[8]

TABLE 1.1: GLOBAL WEALTH DISTRIBUTION, 2000-2024

Total wealth, $ billions			
	All	Top 1%	B50%
2000	199,736	87,923.81	699
2024	479,707	202,963.83	3,694
New wealth	279,970	115,040	2,995
Share of new wealth, %	100	41.1	1.07

9.About 63% of countries, which are home to 52% of the world population in 2025, will cut their cumulative spending over the next five years compared to 2025. The combined cumulative cuts for the five years is USD 2.55 trillion, equivalent to USD 509.64 billion annually.

The data is from the IMF.[9] We use the 2025 expenditure as a share of the GDP as the baseline to calculate the expenditure changes over the next five years. First, we obtain spending differences as a share of GDP for each year from 2026 to 2030 compared to 2025. We then multiply this change by the GDP for the respective year. If the difference in spending as a share of GDP is negative, then spending in USD will also be negative. The opposite is true. We then aggregate to get the world total. The results are presented in the table below.

TABLE 1.2: BUDGET CUTS BETWEEN 2026 TO 2030 COMPARED TO 2025

Expenditure changes 2026-2030, with 2025 spending a share of GDP as the baseline	
Only cuts (cumulative), USD billions	-2,548
Only increases (cumulative), USD billions	2,094
Net changes, USD billion	-454
Average annual net change, USD billions	-91
Number of countries cutting (cumulative cuts)	121
Share of countries cutting, %	63.35
Share of population in cutting countries, %	51.97

[1] Pleninger, et al. (04 Oct 2024). *The geography of high inequality: monitoring the World Bank's new indicator.* World Bank Blogs. https://blogs.worldbank.org/en/opendata/the-geography-of-high-inequality--monitoring-the-world-bank-s-ne

[2] World Inequality Lab. (n.d.). WID.world: *The World Inequality Database*. https://wid.world/data/

[3] World Inequality Database. (n.d). Methodology. https://wid.world/methodology/.

[4] World Inequality Lab. (n.d.). WID.world: *The World Inequality Database*. https://wid.world/data/

[5] World Inequality Database. (n.d). *Top 1% average national income per adult*. https://wid.world/world/#aptinc_p99p100_992_j/WO-MER/last/us/k/x/yearly/a/false/207411.83500000002/500000/curve/false/country)

[6] World Inequality Lab. (n.d.). WID.world: *The World Inequality Database*. https://wid.world/data/

[7] (IMF. (April 2025). *World Economic Outlook, April 2025.* https://www.imf.org/en/Publications/WEO/weo-database/2025/april/weo-report?a=1&c=001,&s=NGDPD,&sy=1987&ey=2025&ssm=0&scsm=1&scc=0&ssd=1&ssc=0&sic=0&sort=country&ds=.&br=1).

[8] (Forbes. (n.d). The World's Real-Time Billionaires. https://www.forbes.com/real-time-billionaires/#28d5418d3d78).

[9] (IMF. (Oct 2025). *World Economic Outlook Database*. https://data.imf.org/en/Data-Explorer?datasetUrn=IMF.RES:WEO(9.0.0))