

FINANCIAL SERVICES

## World's first trillionaire expected in 25 years as wealth gap continues to widen: Oxfam

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*Image courtesy of Neiman Marcus*

By STAFF REPORTS

According to an Oxfam report, just eight men own the same amount of wealth as 3.6 billion individuals.

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Oxfam's "An Economy for the 99 Percent," was shared Jan. 16 in Davos, Switzerland during the World Economic Forum, an annual meeting of political and business leaders. Oxfam's research sheds light on the world's inequality crisis and acknowledges that the gap between the world's richest and poorest is greater than expected.

**For richer or poorer**

The research suggests that much of the world's inequality is related to how big business and the super-rich dodge taxes, drive down wages and use their position and power to influence politics.

Oxfam found that data on the distribution of global wealth, particularly in India and China, suggests that the poorest half of the world has less wealth than previously thought.

While the wealth gap is getting larger, the richest are accumulating wealth at an unprecedented rate.

Oxfam expects to see the world's first trillionaire in 25 years from now. Putting a trillionaire's wealth into perspective, Oxfam figured that an individual would need to spend \$1 million every day for 2,738 years to spend only \$1 trillion.



*Image courtesy of Bicester Village*

Although the middle class in many emerging markets is seeing growth, Oxfam found that between 1988 and 2011, the incomes of the poorest 10 percent increased by only \$65. In comparison, the incomes of the wealthy grew 1 percent, or \$11,800 per person.

Women, often taking jobs in low paying sectors and facing workplace discrimination, remain at the "bottom of the pile" in terms of wealth. Oxfam found that at current trends, it would take 170 years for women to be paid the same as men, globally.

"It is obscene for so much wealth to be held in the hands of so few when 1 in 10 people survive on less than \$2 a day," said Winnie Byanyima, executive director of Oxfam International in a statement. "Inequality is trapping hundreds of millions in poverty; it is fracturing our societies and undermining democracy.

"Across the world, people are being left behind," she said. "Their wages are stagnating yet corporate bosses take home million dollar bonuses; their health and education services are cut while corporations and the super-rich dodge their taxes; their voices are ignored as governments sing to the tune of big business and a wealthy elite."



*Image courtesy of Ferragamo*

Much of Oxfam's findings sync with the general population's anger with the level of inequality found in today's society. As a response, inequality has been a driving factor in politics and was cited in the election of Donald Trump in the United States, the Philippines' election of President Duterte and the Brexit vote in the United Kingdom.

More from Oxfam's *An Economy for the 99 Percent* can be found [here](#).

These factors have not only impacted the world's less fortunate.

The total wealth held by international billionaires was also affected by external factors in 2015, decreasing to \$5.1 trillion from \$5.4 trillion, according to an October 2016 report by UBS and PwC.

Factors such as asset transfer within families, the deflation of commodity pricing, such as petrol, and the appreciated value of the United States dollar are responsible for a decline of total wealth. UBS and PwC's annual "Billionaires Report" found that the average billionaire's wealth dropped from \$4 billion to \$3.7 billion as a result of the aforementioned headwinds, which begs the question, "Are billionaires feeling the pressure?" ([see story](#)).

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