



Reducing inequality is an important goal in itself and crucial for economic productivity, social cohesion and environmental sustainability, all which will have gender implications. Inequality between countries limits the capacity and policy space of poorer countries to achieve their sustainable development objectives, including on gender equality. Within countries, gender-responsive social and economic policies are needed to reduce income inequalities between women and men as a key contributor to overall income inequality in society.

Facts and figures

- Over the past 25 years, the average daily income of the world's poorest 20 per cent has risen by a significantly smaller margin (USD 0.79) than that of the other 80 per cent (USD 8.91).¹
- While the bottom 40 per cent of the population experienced above average income growth between 2011 and 2016, they still received less than 25 per cent of the overall income or consumption.²
- Across 42 middle and higher-income countries, women are overrepresented among the bottom 50 per cent of median income (indicator 10.2.1). Single-mother households are among the most affected.³
- Across 89 developing countries, the majority of the extremely poor live in rural areas; women in rural areas are more than three times as likely to live in extreme poverty than their urban counterparts.⁴
- In 2018, the wealth of the world's billionaires increased by USD 2.5 billion a day, while the poorest half of the world (3.8 billion people) saw a decline in 11 per cent in wealth.⁵
- Globally, women aged 25-54 earn 23 per cent less than men⁶, while men own 50 per cent more of the total wealth than women.⁷
- Globally, women's agency and ability to migrate are constrained, with 37 countries preventing them to independently apply for a passport.⁸

Policy messages

1. Inequalities within and among countries remain rampant, slowing progress towards the achievement of most SDGs.

Over the past three decades, income inequality within countries has increased worldwide. Since 1980, the global top 1 per cent earners have captured twice as much of the income growth as the 50 per cent poorest individuals.⁹ The combined effect of technological disruption, deregulated capital mobility, financialization, lower taxes on capital and wealth, austerity and the weakening of trade unions all contribute to growing income inequality. Income inequality, in turn, strongly correlates with inequality in rights and opportunities, slowing progress towards the achievement of other goals and targets, including those related to gender equality and women's empowerment. In Pakistan, for example, women from the poorest households are six times as likely to be undernourished as women from the richest households.¹⁰ In the USA, women from low-income households are more than four times as likely to lack health insurance as women from high-income households.¹¹

2. Inequalities within the household—including between women and men—are a central contributing factor to overall income and gender inequalities in society.

Across the globe, women have less access to labour markets, earn lower wages and command less control over assets than men, while performing 2.6 times as much unpaid care and domestic work.¹² Women are also overrepresented among those living below 50 per cent of the median income (indicator 10.2.1). Across a sample of 42 high- and middle-income countries, the largest gender differences are found in the Republic of Korea, South Africa and the USA. Single-mother households are most likely to fall below the 50 per cent median

income mark. In Brazil, Canada, Luxembourg and the USA more than 50 per cent of all single mothers live under this relative poverty threshold.¹³

3. Inequalities based on income, wealth, location and ethnicity, among others, combine to create deep pockets of socioeconomic disadvantage for women.

Identifying groups of women and girls who are furthest behind requires looking beyond national averages, as UN Women country case studies on Colombia, Nigeria, Pakistan and the USA highlight.¹⁴ Across these countries, women and girls who experience multiple and intersecting inequalities face profound disadvantages across a range of SDGs: women who are poor, live in rural areas and belong to marginalized ethnic groups are not only lagging behind in terms of their access to health care services and education (SDGs 3 and 4), they also benefit less from sustainable infrastructure such as water on tap, sanitation, electricity and durable housing (SDGs 6, 7, 11). In Colombia, the total proportion of women who lack qualified assistance during childbirth, for example, is relatively low (4 per cent); but among indigenous women who are poor and live in rural areas, it is as high as 33 per cent.

4. Gender-responsive economic and social policies, coupled with greater global cooperation, are critical to reducing multiple and intersecting inequalities.

Enhanced global cooperation can create an enabling macroeconomic environment that allows countries to mobilize maximum available resources for the reduction of all forms of inequality, including by putting a stop to illicit financial flows and ensuring that transnational corporations pay their fair share of taxes. Progressive, gender-responsive fiscal and social policies are needed to reduce income inequalities at the national level, including those between women and men. Public expenditure reviews and gender-responsive budgeting can put available resources to better use. Despite progress in implementing gender responsive budgeting globally, only 13 out of 69 countries with available data fully met the criteria of having in place a tracking system that measures and makes publicly available gender budget data in 2018.¹⁵ Investments in public care services, such as affordable quality childcare, are critical to reducing inequalities in women's access to paid employment. They can also reduce the transmission of intergenerational inequalities by giving children from lower-income households a fair start.¹⁶

¹ Background paper by UNDP/UNFPA/UNOPS, UNICEF, UN Women and WFP to the 2018 Joint meeting of the Executive Boards, 'Overcoming inequalities among and within countries, including gender inequality, to achieve the Sustainable Development Goals – reaching the poorest and most vulnerable populations first'.

² United Nations, 2019, *Report of the Secretary-General: Special edition of the Sustainable Development Goals Progress Report*.

³ UN Women, 2018. *Turning Promises into Action: Gender Equality in the 2030 Agenda for Sustainable Development*. New York.

⁴ Munoz Boudet, A.M. et al., 2018. 'Gender Differences in Poverty and Household Composition through the Life-cycle A Global Perspective.' World Bank Policy Research Working Paper 8360.

⁵ Oxfam, 2019. 'Public good or private wealth?' Briefing Paper. Oxford, UK.

⁶ UN Women, 2018.

⁷ Oxfam, 2019.

⁸ World Bank Group, 2018. 'Women, Business and Law 2018.' Washington DC.

⁹ World Inequality Lab, 2017. *World Inequality Report 2018*

¹⁰ UN Women, 2018.

¹¹ Ibid.

¹² Ibid.

¹³ Nieuwenhuis, R. et al., 2018. 'Gender equality and poverty are intrinsically linked: A contribution to the continued monitoring of selected Sustainable Development Goals.' UN Women Discussion Paper No. 26.

¹⁴ UN Women, 2018.

¹⁵ UN, 2019.

¹⁶ UN Women, 2015. 'Gender Equality, Child Development and Job Creation: How to Reap the 'Triple Dividend' from Early Childhood Education and Care Services.' Policy Brief No. 2. New York.