

82% of the wealth generated in the world last year went to the richest 1%, Oxfam study finds

January 22, 2018 – *National Post*

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In the run-up to the World Economic Forum in the Swiss ski resort of Davos, Oxfam has sought to put inequality at the heart of this week's deliberations of the rich and powerful.

“The billionaire boom is not a sign of a thriving economy but a symptom of a failing economic system,” said Winnie Byanyima, Oxfam International's executive director. “The people who make our clothes, assemble our phones and grow our food are being exploited to ensure a steady supply of cheap goods, and swell the profits of corporations and billionaire investors.”

In its report “Reward Work, Not Wealth,” Oxfam says 82 per cent of the wealth generated last year went to the richest 1 per cent of the global population while the poorest half of the world's population — 3.7 billion people — saw no increase in their wealth.

Billionaire wealth, it added, has risen by an annual average of 13 per cent since 2010, over six times more than the wages of average workers, and the number of billionaires rose at an astonishing rate of one every two days in the year to March 2017.

Oxfam listed a series of actions government should take, including limiting returns to shareholders and top executives, ensuring workers receive a minimum “living wage” and pushing through policies to eliminate the

gender pay gap and protect the rights of women workers. It also urged a clampdown on tax avoidance and other associated practices, which have been highlighted by the recent publication of the “Panama Papers” and the “Paradise Papers.”

Oxfam, which has sought for several years to highlight the problem of inequality on the eve of the World Economic Forum, said that without action, the populist and nationalist tides around the world will only become more acute.

“We've seen a shift in narrative in terms of what people say, but we haven't seen action to match those words,” said Nick Bryer, Oxfam's Davos campaign manager.

Governments, he said, need to “get back into the driving seat” and challenge the big corporations and the billionaires.

“There's plenty they can do,” he said.

While conceding that the efforts of Oxfam and other civil society groups have yet to force substantive change among governments, Bryer said it's important that they carry on delivering the message to the rich and powerful at events like the World Economic Forum, a gathering that's perceived by many as solely serving the needs of the global elite.

“People are realizing that shocks are fueled by inequalities,” he said.

Oxfam's findings are based on the annual Global Wealth Databook of Swiss bank Credit Suisse, and Forbes' billionaire ranking series.