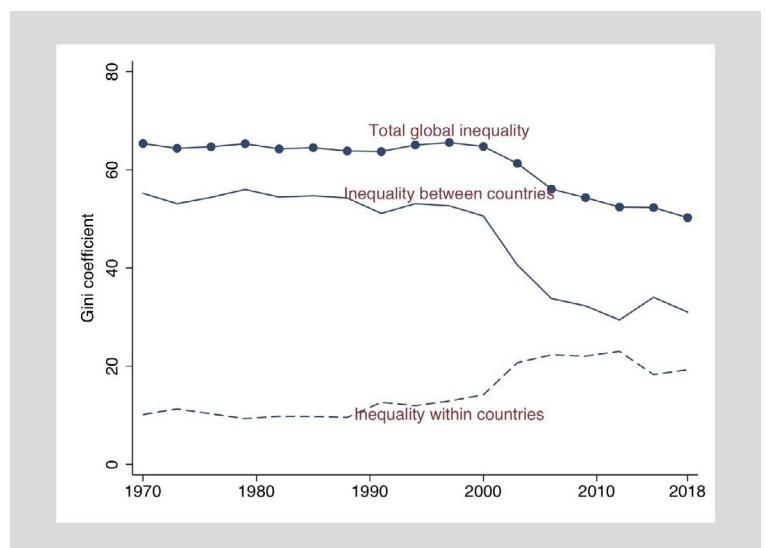


Global earnings inequality down, within-country inequality increasing



- Global earnings inequality has fallen, primarily during the 2000s and 2010s.
- The earnings share of the world's poorest half has doubled.
- Earnings inequalities between countries and within occupations have decreased.
- Within-country earnings inequality has increased.

The study estimates trends in global earnings dispersion across occupational groups using a new database that covers 68 developed and developing countries between 1970 and 2018. The main findings are that global earnings inequality has fallen, primarily during the 2000s and 2010s. During that period the global Gini coefficient, measuring economic inequality, dropped by 15 points and the earnings share of the world's poorest half doubled. The results show that earnings convergence between countries and within occupations decreased, while within-country earnings inequality has increased. Moreover, the falling global inequality trend was driven mainly by real wage growth, rather than changes in hours worked, taxes or occupational employment. In particular, high wage growth in China and India has reduced global inequality.



-What we can see in our study is that the world is extremely unequal, but has become more equal over the recent decades. We can also see that which country you live in is the main determinant of your position in the global earnings distribution, says Olle Hammar, one of the researchers behind the study.

For more information about the study, please contact Olle Hammar: olle.hammar@nek.uu.se

The article "**Global Earnings Inequality, 1970–2018**" is published in *The Economic Journal*, Volume 130, Issue 632, November 2020, Pages 2526–2545.

Download the article here: <https://doi.org/10.1093/ej/ueaa109>