

NATIONAL REVIEW

The Global Inequality Gap Continues to Narrow

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Despite setbacks amid the pandemic, many long-term demographic trends globally remain positive. People are living longer. Literacy is up. Poverty and hunger are in decline. A growing body of evidence shows remarkable improvements in living standards.

But while human progress is hard to deny, critics argue that these gains have not been widely shared. An ascendant narrative claims that global inequality is increasing as improvements in the standard of living accrue to only a small elite, leaving much of the world's population no better off or even worse off.

During his inauguration speech, President Joe Biden mentioned “growing inequity,” and Vice President Kamala Harris claimed at the 2021 Paris Peace Forum that the world has seen “a dramatic rise in inequality.” Similarly, Josep Borrell, the vice president of the European Commission, the European Union's governing body, said this year that the world is “more unequal” than it was 75 years ago. According to Harvard University psychologist Steven Pinker, the share of *New York Times* articles mentioning “inequality” increased tenfold between 2009 and 2016, and Google's Ngram Viewer shows a clear rise in the frequency by which the word “inequality” appears in English-language print sources.

Belief in widening inequality has inspired several policy proposals. A 2023 Oxfam report proposes fighting “rising global inequality” with a 5 percent tax on the world's multi-millionaires. Other proposals in the same vein include the implementation of, or increases in, inheritance taxes and the establishment of a global registry of financial-asset ownership.

Yet the narrative of rising inequality is false. Though the worldwide inequality gap certainly still exists, it is shrinking.

Policies meant to address the ostensible surge in global inequality risk increasing bureaucracy, slowing down economic growth and poverty's retreat, decreasing the rate of technological progress, and infringing on financial privacy, among other things. Most important, a coolheaded

assessment of the gaps in global well-being shows that such policies would be based on a misconception.

We explore the trends in global inequality in a [new research paper](#) that introduces the Inequality of Human Progress Index (IHPI) as a novel way of measuring relative gaps in global development. Our index surveys inequality across a greater number of dimensions than any prior index has done and finds that, astonishingly, across all but two of those dimensions, the world has become more equal since 1990.

As momentous as the global decline in income inequality is, measuring inequality by metrics beyond differences in income is a fuller, more direct, and more accurate way of measuring differences in well-being. The IHPI considers income and seven additional metrics: life span, infant mortality, nutrition, environmental safety, education, internet access, and political freedom.

Under a variety of specifications, the data unambiguously show a decline in overall global inequality. An examination of the individual components of the index also reveals considerable progress toward worldwide equality in living standards.

Global equality in terms of life expectancy, internet access, and education has improved without major interruption since 1990. Equality in the enjoyment of political liberty has also improved almost continuously since 1990, with a small reversal in recent years, which does not negate the long-term positive trend. Globally, income inequality increased until the mid 2000s but has since declined. When it comes to hunger, the long-term trend line, though somewhat rocky, indicates a considerable improvement in equality, as access to an adequate diet becomes more common around the world.

Across most dimensions we examined, the world has become more equal since 1990, but there are, of course, exceptions to every rule. While infant mortality has fallen everywhere, it has declined proportionally faster in wealthy countries whose residents have access to the latest medical technology and the most advanced neonatal-intensive-care units. Inequality in the level of environmental safety has also widened, likely because pollution tends to increase with economic growth until a critical point is reached, after which it starts to fall — a phenomenon called the environmental Kuznets curve. Many developing countries are still undergoing this transition.

Our research shows that improvements have been both greater and more dispersed than is commonly appreciated. While clear gaps in living standards persist, an understanding of whether those gaps are growing or shrinking is crucial to intelligent debate about the drivers of progress. It seems that globalization and market liberalization over the past few decades have raised absolute living standards and reduced overall disparities. Following the data reveals that the world is not only better off than many people think but that it is also becoming more equal.

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