



Inequality in the Arab region

Crisis upon crisis

Key Messages



Shared Prosperity Dignified Life



PATHFINDERS
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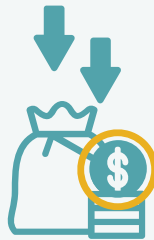
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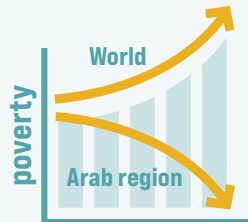


01



In 2022, **52 per cent** of people in the Arab region believed that **economic conditions** were getting **worse**

02



The Arab region is the **only region** in the world where **poverty rates** are **increasing**, leading to high **inequality** rates

03



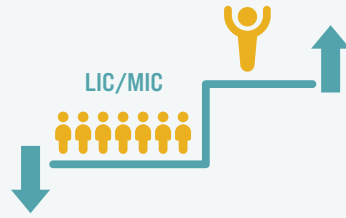
The richest 10 per cent of people in the Arab region hold on average **44 times** as much **wealth** per person as the **poorest 40 per cent**

04



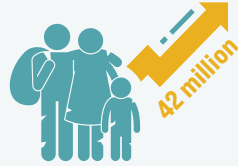
After falling in the preceding decade, **wealth inequality** has risen sharply in the Arab region since 2020. In 2020, the aggregate proportion of wealth held by **the richest 1 per cent** was **43 per cent**; in 2022, this rose to **44 per cent**

05



Wealth inequality has increased in **low-** and **middle-income** countries

06



The number of people in the Arab region living in **extreme poverty** increased by **42 million** between 2015 and 2023

07



The region has **150 million** people living in **poverty**. Of these, 85 million live in **extreme poverty**

08



Multi-dimensional **inequality** has reduced in terms of access to **finance**, **health**, **education** and **technology**, and **gender inequality**

09



Food inequality increased between 2015 and 2021 in all country groupings in the Arab region

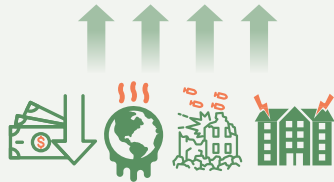
10



Youth inequality increased between 2015 and 2021 in 18 countries in the Arab region



01



From **2015 to 2022**, the risk of **polycrisis** increased in **two thirds** of countries in the Arab region.

02



No high-income country in the Arab region was at high risk of polycrisis in the 2015-2022 period. By contrast, every single **low-income** and **conflict-affected** country in the Arab region was at **high risk** of polycrisis by 2022.

03



Climate-associated risk is currently the **fastest-growing** risk in the Arab region.

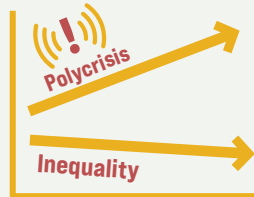
04



Economic risk rose between 2021 and 2022. This increase was driven in part by increases in **inflation** and **debt**, as well as by **slow gross domestic product (GDP)** growth.

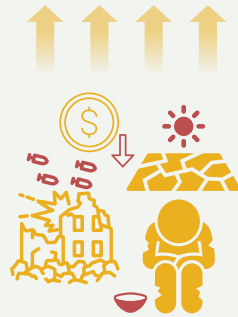


01



In the Arab region, there was a **minimal reduction** in multidimensional **inequality** between 2015 and 2021, but a significant **increase** in the **risk of polycrisis**.

02



Low-income, least developed, and conflict-affected countries in the region combined are home to **39 per cent** of the region's population. These countries have experienced the most significant increases in both the risks of **polycrisis** and **multidimensional inequality**.

03



Middle-income countries, which are home to **62 per cent** of the region's population, have made some progress in **reducing multidimensional inequality**, but their exposure to the **risk of polycrisis** has **increased**.

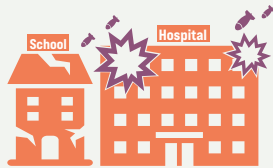
04



High-income countries, which are home to only **13 per cent** of the region's population, have made progress in **reducing multidimensional inequality** despite a small uptick in the risk of **polycrisis**. Nevertheless, the risk of **polycrisis** in high-income countries is **low**.



01



Short-term crisis responses undermine long-term **development investments** and **environmental sustainability**, perpetuating cycles of **vulnerability**.

02



Polycrises have a disproportionate impact on **vulnerable families**, forcing them to compromise on essentials such as **meals, healthcare, and education**. This exacerbates **inequalities**

03



Poor nutrition outcomes from polycrises have lasting repercussions on **health** and cognitive **development**, perpetuating intergenerational **poverty**.

04



In 2023, the Arab region was home to 25 per cent of the global population in need of **humanitarian assistance**. But it received **only 32 per cent** of the necessary humanitarian financing. This demonstrates a significant gap in **support**, despite escalating **needs**.

In recent years, the Arab region has experienced a string of successive, overlapping and reinforcing crises, known as a polycrisis. Environmental, economic, institutional and conflict-related crises have interacted with each other to a devastating degree, resulting in detrimental effects on people's access to social and economic services and opportunities. Not everyone, however, has been affected equally. Those who were already at risk of being left behind find themselves further behind their peers, as crises have accentuated inequality in all its forms and eroded the potential of social mobility.

This third edition of the Arab Inequality Report presents the growing risk of polycrisis in the Arab region since 2015. It introduces a novel way to capture inequality in all its forms, through a new multidimensional inequality framework. It also highlights the positive correlation between multidimensional inequality and the risk of polycrisis. Yet, polycrises and high multidimensional inequality are not inevitable. The report concludes with concrete and practical policy recommendations for countries to protect equality in times of crisis. In particular, the report calls for immediate humanitarian assistance in the face of crises, without political implications, and innovative financing mechanisms that enable more vulnerable countries to pursue sustainable socioeconomic development and leave no one behind.

