

HOW MUCH WEALTH COVID-19 CETAED FOR RICH PEOPLE

DOI: 10.17261/Pressacademia.2021.1434
PAP- V.13-2021(23)-p.102

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To cite this document

Teker, S., Ergul, Y., (2021). How much wealth Covid-19 cetarted for rich people. PressAcademia Procedia (PAP), V.13, 102.

Permanent link to this document: <http://doi.org/10.17261/Pressacademia.2021.1434>

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ABSTRACT

Purpose- This research aims to explore the COVID-19 pandemic's effect on global wealth distribution and wealth accumulation for the rich

Methodology- An analytical approach is employed. The study covers the followings; the pandemic's timeline and related statistics, the pandemic's effect on wealthy individuals, the pandemic's effect on global poverty and the pandemic's effect on society.

Findings- Year 2020 can be considered as a year of global catastrophe. The unemployment rate and poverty have risen while world GDP declined by 4.3%. The previously depicted changes in the pattern of global wealth distribution have and will have numerous repercussions for the World's social order as shown by a deterioration in the global democracy index of about 2%, s deterioration in the quality of education especially concentrated in less developed countries affecting 1.6 billion students, a rise in food insecurity in the developing world due to poverty and supply chain disruptions, a global decline in human rights especially due to lockdown restrictions, a global decline in gender equality with drastic rises in domestic violence, a global increase in popularity of xenophobic far right movements.

Conclusion- Wealth inequality in the world rose drastically during the pandemic. UHNWI and billionaire wealth reached all time high representing a higher percentafe of global GDP than ever. Wealth inequality is forecasted to rise further in the coming years. As inequality increased, major social issues are expected to rise, e.g. democracy is in decline, extremism is on the rise, human rights are in decline, and food security is in decline. As inequality continues to rise, it is expected that social cohesion will continue to deteriorate for the globe. The number of billionaires increased from 2604 in 2018 to 3288 in 2020 while the wealth of billionaires accumulated to 11.4 trillion USD in 2020 from 8.6 trillion USD in 2018. The wealth of 10 richest people increased by 52% in the period of 2019-2020. As a final word, the poor got poorer and rich got richer during the pandemic.

Keywords: Ultra high net-worth individuals (UHNWI), billionaires, wealth distribution, Covid-19.

JEL Codes: E42, M40 M41,O30

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