

Access to the video

<https://vimeo.com/658104817>

HHU Consulting

Wealth disparity - An emerging global issue

Decide now, or you will be decided upon

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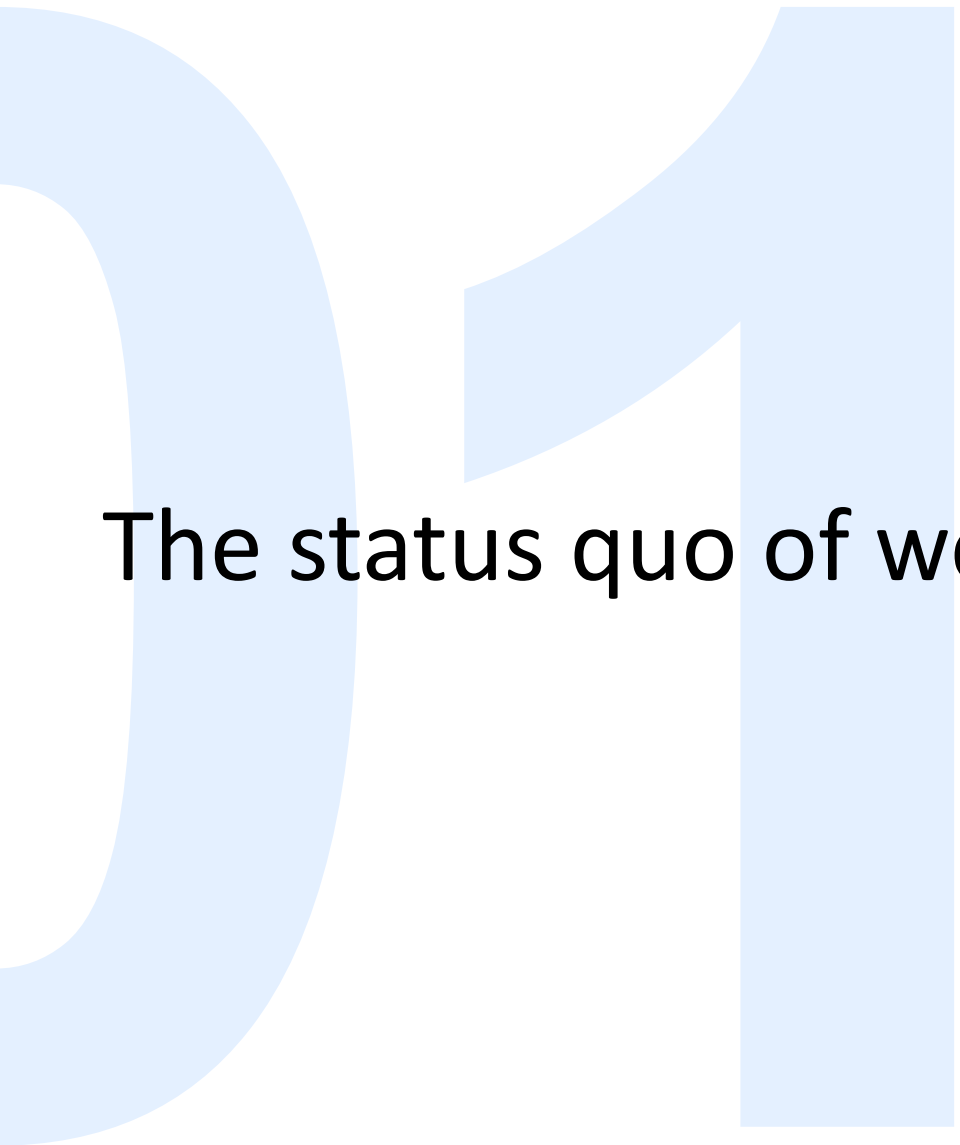


“ What kind of world do you want to live in? ”

Our solution against increasing wealth disparity in mankind

Today's agenda

- 01** The status quo of wealth disparity
- 02** Options and capabilities to initiate change
- 03** The solution against increasing wealth disparity

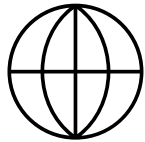


The status quo of wealth disparity

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The past has shown us why prevention is better than postvention

Climate change has been ignored for too long



Climate refugees



Societal instability



Hard regulations



Do not act too late a second time!

Three challenges need to be addressed to proactively prevent rising wealth disparity



Financial
disparity



Environmental
change



Societal
shift

To overcome these challenges three key players are identified to be in charge

Player



Governments



Organizations



Individuals

Distribution of money is a major factor for wealth disparity



Individuals

- $r > g^1$
- Accumulation of wealth at the top
- Decreasing middle class



Governments

- Race to the bottom
- Undercutting tax rates to attract businesses
- Developing countries suffer from high public debt



Organizations

- Generation of major profits
- Use of tax haven to reduce contributions
- Advantage for biggest tech companies

Low income class is not able to catch up

Lack of funds for social infrastructure

Large amount of untaxed money

1: r = return on capital ; g = economic growth

Environmental change contributes to the overall threat



Individuals

- Rise of extreme weather events
- Endangered living situation
- Change of consumption patterns



Governments

- Higher expenses for disaster-related aids
- Public demands for higher regulations
- Global problems can't be solved by single countries



Organizations

- Huge impact on climate by pollution
- Strict regulations
- Higher standards in one country lead to carbon leakage in others



Climate refugees heading to wealthier countries

Wealthy countries are able to respond better

Need to adjust to sustainability trends and regulations

Societal shifts intensify the wealth gap



Individuals

- Digitization enables access to knowledge
- Brain drain: Developing countries lose talents
- Educational disparity



Governments

- Pressure on social injustice on democracy
- Loss of trust in institutions
- Focus on specific interest groups (prosperous citizens)



Organizations

- Increased responsibility in a globalized world
- Demand of fair and livable wages
- Slow adaption from share-to stakeholder value



Social background still determines the level of wealth

Split in society on the rise

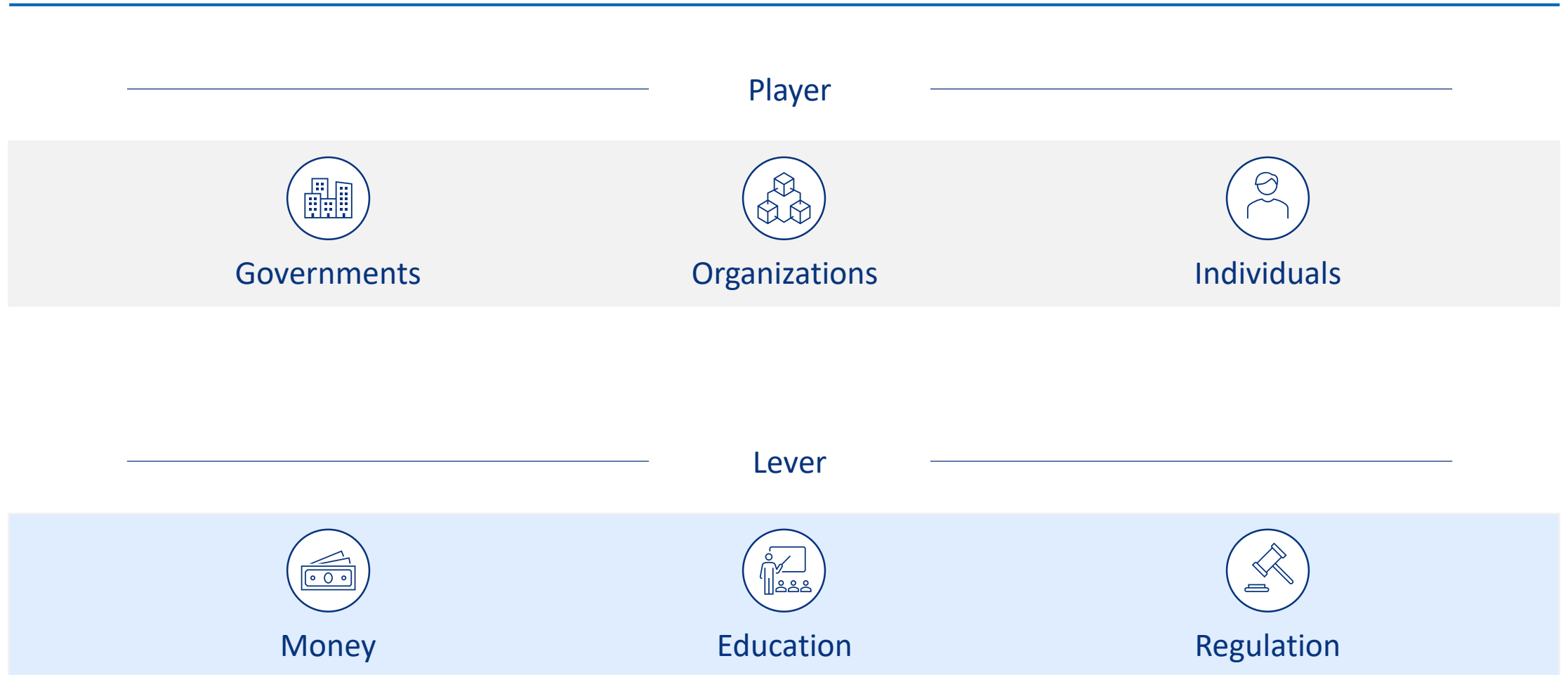
Lack of voluntary and social commitment of companies



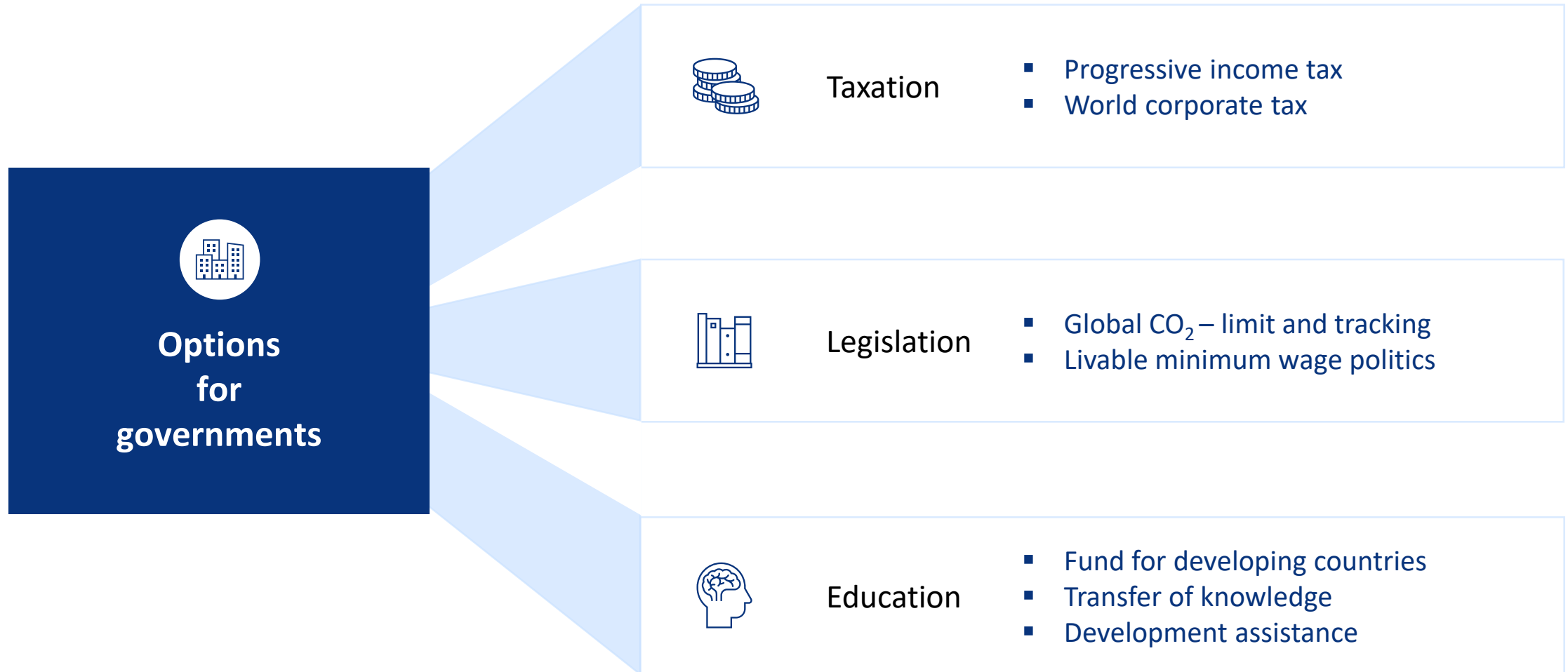
Options and capabilities to initiate change

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The identified players must effectively use the available levers



Governments can achieve major leverage via legislation and taxation

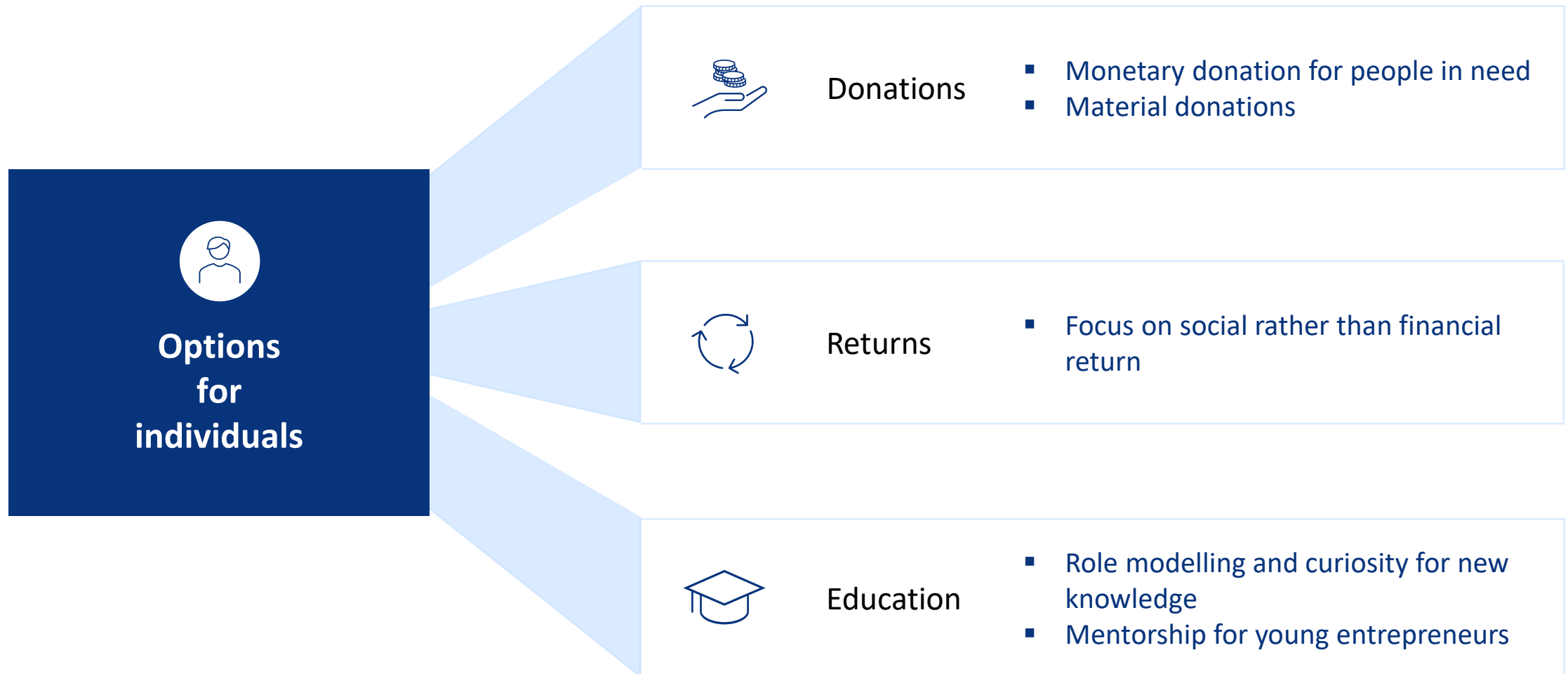


Organizations have the responsibilities to ensure an internal shift






















1: CSR = Corporate Social Responsibility

Individuals in form of corporate leaders and wealthiest individuals have the strongest impact



Individuals are well-equipped to proactively cope with the growing wealth gap

	 Governments	 Organizations	 Individuals
 Time horizon	<i>Evaluation</i> 	<i>Evaluation</i> 	<i>Evaluation</i> 
 Resources			
 Feasibility			
 Willingness			

 Poor

 Medium

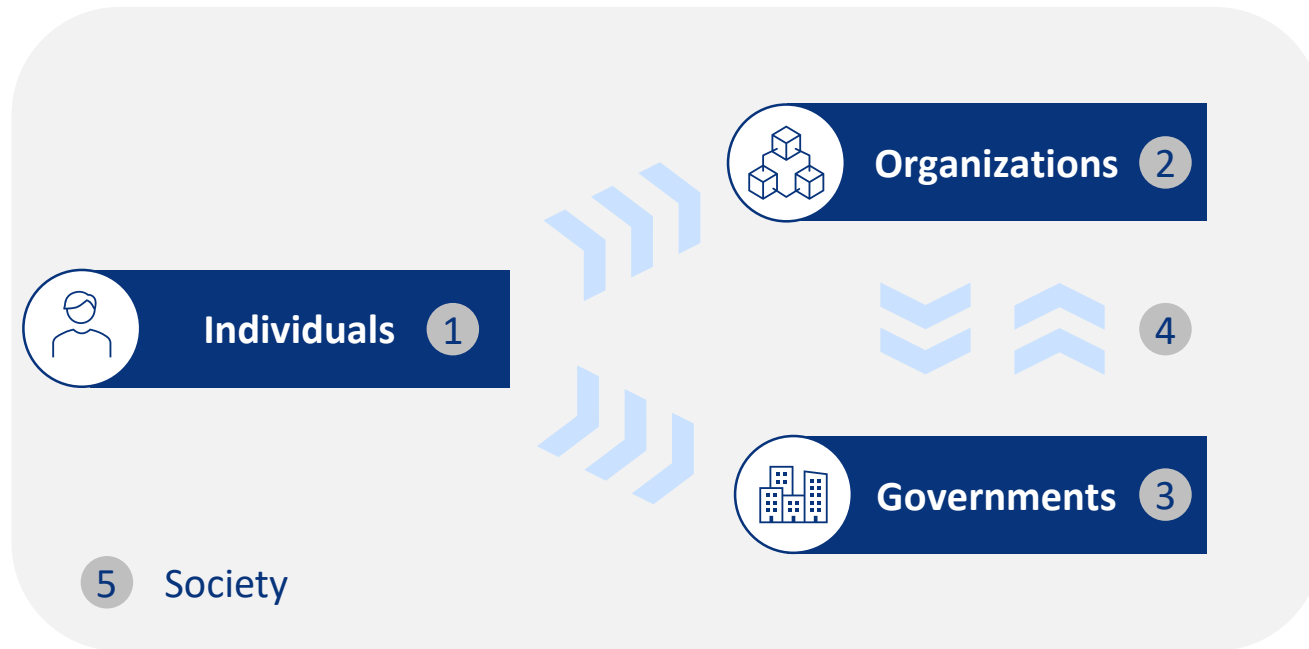
 Good



The solution against increasing wealth disparity

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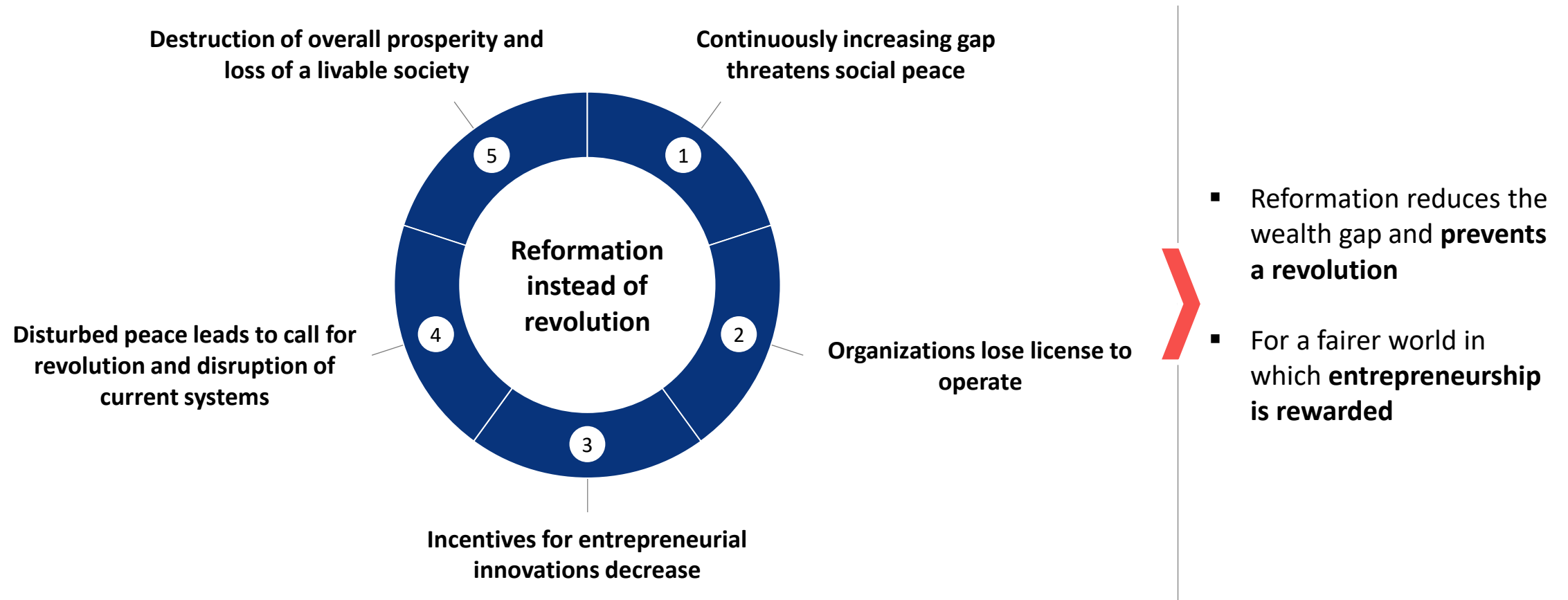
The change needs to start with you for a fairer world with less disparity



Individuals in form of **executives and wealthiest citizens ...**

- 1 ... have **extensive resources** and **entrepreneurial drive**
- 2 ... can **leverage positive impact** of organizations by control and ownership
- 3 ... are **enablers and advisors** for entrepreneurial solutions
- 4 ... create an environment for **less reactive legislation**
- 5 ... initiate a cascade of changes that **benefits the global society**

There is an incentive to decrease your wealth and share future profits



Tackle these three challenges, to prevent rising wealth disparity



Financial
disparity



Environmental
change



Societal
shift

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Now it's your turn!

