

# WEALTH INEQUALITY



©Johnny Miller – African Drone

3.2 billion

adults or about 64% of the adult population lives with a wealth below USD 10,000, which corresponds to only 1.9% of the global wealth.<sup>1</sup>

0.1%

of the top alone will own more wealth than the global middle class by 2050 if established trends were to continue.<sup>2</sup>

Wealth inequality is one of the most significant challenges of modern times. It can lead to unequal societies, social instability, violence and unrest, and further societal problems that affect the world at large. Typically, in countries with low inequality, the government redistributes wealth through taxation and other means, investing it in equality of opportunity, education and healthcare. However, in countries with high inequality, new modes of engagement are necessary to reduce the growing disparity between different social groups.

The Julius Baer Foundation strategically supports projects that help counterbalance the wealth gap and build trust between all groups in society. Working with pioneers in the field of wealth inequality, the Foundation also promotes initiatives that go beyond poverty reduction by bringing together all stakeholders to create mutually beneficial partnerships.

## Our approach

Wealth inequality is the unequal distribution of assets amongst people and organisations. It encompasses not only the lack of financial resources but also the lack of social capital<sup>3</sup>, which allows an individual to access the networks and opportunities necessary to live a dignified life. A systemic, sustainable approach to reducing wealth inequality must target both economic and social dimensions.

Sensitive to the outcomes of a polarised society, the Julius Baer Foundation believes that, when brought together, socio-economic groups from either end of the income ladder have much to learn from each other. With this in mind, we seek to bring together people from the top 10% and the bottom 40% of society to encourage collaboration and exchange, and support development of partnership-based collaborations focused on wealth redistribution and social mobility.

<sup>1</sup> Credit Suisse Global Wealth Report

<sup>2</sup> World Inequality Report 2018

<sup>3</sup> Social capital can be understood as the assets, resources and benefits obtained from having networks and social interactions between individuals and groups (Putnam, 1995; Adler & Kwon, 2002; Claridge, 2004; Reyes et al., 2018)

# 1965

For more than fifty years, the Julius Baer Foundation has dedicated itself to making meaningful and impactful contributions to society.

# 2

- strategic core areas
- Wealth Inequality
  - Solutions Replacing Plastics

The Julius Baer Foundation aims to transform wealth inequality ideas into operating projects in the following ways:

- **Exposing the problem** of inequality and understanding its particular context
- **Identifying who is at the table** – e.g. diverse social groups, partners, and stakeholders
- **Constructing a rationale** by understanding the motivation of each group
- **Facilitating the negotiation** of a common approach
- **Acting as a ‘possibility broker’** for a wealth redistribution plan or strategy

The Julius Baer Foundation values in particular non-charitable and productive partnerships that go beyond mere monetary donations. This means that the beneficiaries of these initiatives are directly involved in enabling social mobility and that the emphasis is on sharing structural resources that reduce wealth inequality.

## Julius Baer Foundation

For over fifty years, the Julius Baer Foundation has been dedicated to making meaningful and impactful contributions to society. The grant foundation of the Julius Baer Group was established in 1965 by Walter J. Bär to support all forms of art and culture, various sciences and carefully selected charitable causes in Switzerland.

Over the years, the Foundation has expanded its presence and reach. We helped to found the ‘Julius Bär Stiftung Deutschland’ in 2019 and today we support initiatives worldwide that drive change and have the potential to become role models for others. With our network of partner organisations, we dedicate ourselves to two strategic core areas: Wealth Inequality and Solutions Replacing Plastics. Additionally, we continue our traditional solidarity and art engagement through the support of the Julius Baer employee-based JB Cares organisation and selected art museums in Switzerland.

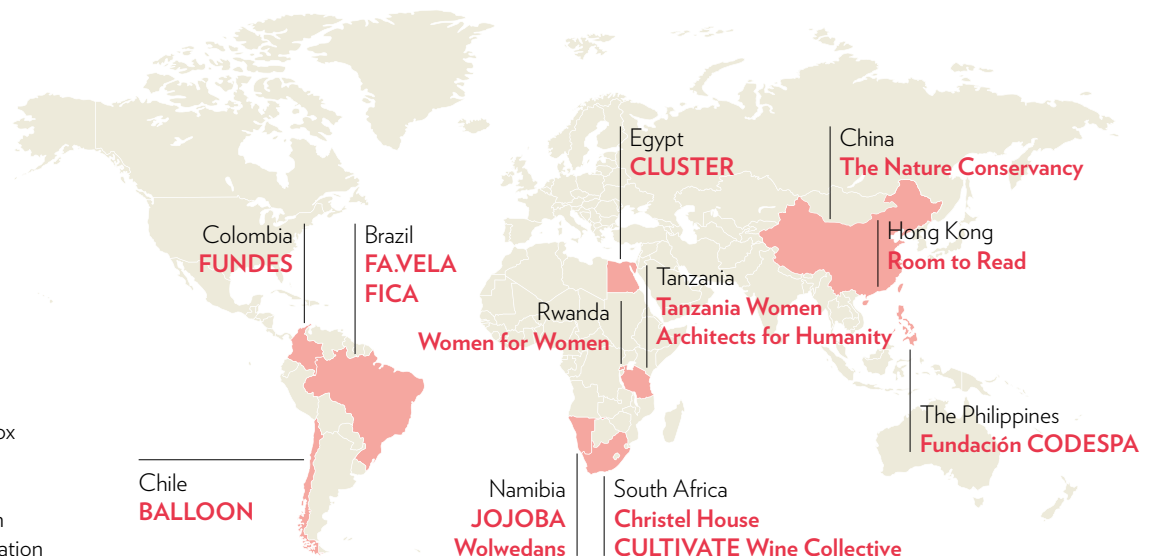
## How you can contribute

Clients and employees of Julius Baer can support the Foundation. Your donation will be used specifically for the core area of your wish. IBAN: CH 94 0851 5072 8789 4200 9

“We must work together to ensure the equitable distribution of wealth, opportunity, and power in our society.”

Nelson Mandela, Nobel Peace Prize Laureate

## Our partner organisations in the core area of Wealth Inequality



## Contact

Julius Baer Foundation  
Bahnhofstrasse 36, P.O. Box  
8010 Zurich, Switzerland  
Tel.: +41(0)58 888 4422  
foundation@juliusbaer.com  
www.juliusbaer.com/foundation