

Africa's extreme wealth inequality flagged

Three African billionaires currently have more wealth than the poorest 50% of people across the continent, a new Oxfam report reveals. The report, (*A Tale of Two Continents*), was launched to coincide with the World Economic Forum meeting which is underway in Cape Town. It shows how rising and extreme inequality across the continent is undermining efforts to fight poverty. It reveals that while the fortunes of the richest Africans fare increasing, extreme poverty is rising in the continent. It also looks at how unsustainable levels of debt and a rigged international tax system are depriving African governments of billions of dollars in lost revenue each year – money that could otherwise be invested in education, healthcare and social protection. **'Africa is ready to rise, but only once it's leaders have the courage to back a more human economy that works for the many and not a few super-rich,'** said Oxfam director Winnie Byanyima. The report features a first-ever ranking of African nations on their commitment to tackling inequality. The Commitment to Reducing Inequality Index, developed by Oxfam and Development Finance International, ranks countries on their policies on social spending, tax, and labour rights. SA and Namibia take first and second place respectively, with their strong social spending and a progressive tax system. Nigeria, on the other hand finds itself at the bottom of the Africa – and world – ranking for the second consecutive year. The report also reveals that 75% of the wealth of African multi-millionaires and billionaires is held offshore. As a result, governments are losing \$14bn annually in uncollected tax revenue. 'African political and business leaders face a clear choice. They can stay on the path of increasingly extreme inequality, where poverty continues to rise while wealth in the hands of a tiny elite and foreign companies' spirals. Or they can choose another way: towards a more prosperous and equal Africa that invests in and respects the dignity of all its people,' Byanyima added.