

Executive summary

The Arab region is the most unequal in the world, and inequality is increasing in various aspects. The effects of the COVID-19 pandemic, high interest rates and growing debt burdens in some countries, the ongoing cost-of-living crisis, and the impact of the war in Ukraine – which has disproportionately affected food and energy prices – are all contributing to widening inequality, both between and within countries.

Considering disparities between countries in the Arab region, oil producers are set to benefit from the current environment as Gulf Cooperation Council (GCC) countries gained as much as \$5.8 billion in 2022 as a direct result of the war in Ukraine. By contrast, middle-income Arab countries lost about \$6.7 billion due to higher food and energy prices, which would elevate their high public debt burdens and limit the financing available for basic public services. Already, regional public spending on health, education and social protection is below international benchmarks. Further strain on public service provision will accentuate inequality by limiting the possibility of access to basic public goods, which are much needed to provide opportunities and sustain a minimum standard of living for the most vulnerable and those living in poverty.

Concerning disparities within countries, wealthy Arab citizens are getting richer and more people in the region are becoming millionaires than ever before. In 2021, 20,000 individuals in the region newly became millionaires. At the same time, low-income Arab citizens lost one third of their wealth in 2021 and 120 million people across the region live in poverty. Gender inequality is also rife. Women in the Arab region earn on average less than a quarter of what men earn, due to societal norms and unequal legislation that limits their labour force participation and career growth. The

most gender-equal country in the region only ranks 68th in the global gender gap index, whilst three countries in the region sit in the bottom 10 of the index.

People across the region recognize that they live in a polarized society. A poll by ESCWA revealed that almost four-fifths of respondents believed that they lived in an unequal society, and more respondents considered that inequality would grow over the coming five years compared to those that believed it would decrease.

Inequalities in income and wealth are mirrored by inequalities in access to food.

Between countries, Arab least developed countries have five times higher food insecurity than those in the GCC, and much less access to clean water and sanitation, essentials for safe food consumption.

Within the countries of the region, 181 million people, close to 35 per cent of the Arab population, are food insecure; 12 million more than they were just one year ago. The majority of food insecure people also live in poverty. Not only are more people in the region hungry, the extent of their hunger is also more severe. There are 54 million people across the region facing severe food insecurity; an increase of 5 million over the last year. There is a real risk that famine will affect at least 460,000 people in Somalia and Yemen. Obesity rates across the region are also soaring: 29 per cent of the Arab population are obese, twice the global average.

Women are more likely to experience both undernutrition and obesity, both of which threaten the health and well-being of the population. Women of reproductive age are also more likely to face anaemia (estimated to affect one



third of women of reproductive age), which increases the likelihood of babies being born prematurely and of low birth weight, and reinforces the intergenerational pass-down of inequality.

Food insecurity is multifaceted. Climate change-induced floods and drought, economic crises and conflict and occupation all contribute to food insecurity in the Arab region and affect those living in poverty much more than the wealthy. The compound effect of these crises creates a more extreme impact than the individual sum of each crisis.

Limited food production in the region and massive food waste also contribute towards food insecurity. The Arab region produces less than half of the food it consumes, importing the remainder of its needs. There is enough food to feed everyone in the region, but food waste, combined with high import prices, causes millions to go without.

Still, poverty is the greatest determinant of food insecurity and whether a household can afford a safe and nutritious diet. The average Arab household spends one third of its income on food; poor households spend a much higher proportion, with their food choices being impacted by their monthly earnings.

This report analyses the four pillars of food security: access, availability, utilization and stability, from an inequality lens. It provides policy recommendations to address food security from the perspective of inequality.

It also calls for regional solidarity to redistribute resources from those that have plenty (Governments, corporations and individuals) to those that do not. A wealth solidarity fund can support regional redistribution, as can greater use of progressive fiscal policy to build comprehensive social protection systems. Social protection should not only protect against the immediate deprivations of poverty, but also provide assets, opportunities and skills so that beneficiaries can be permanently lifted out of poverty. Increased investments in health, education and social protection would support the impact of social protection systems. National nutrition strategies can reduce both undernutrition and obesity, and increase the public's awareness of healthy eating and exercise practices.

Finally, this report provides recommendations to make agricultural systems, and to some degree social protection systems, more shock resistant, in order to reduce the impacts of shocks on the most vulnerable. Early warning systems, disaster management units, and climate change mitigation and adaptation can also protect against the growing impacts of climate change. When shocks do occur, immediate humanitarian assistance, without political implications, is key to protecting the Arab population.