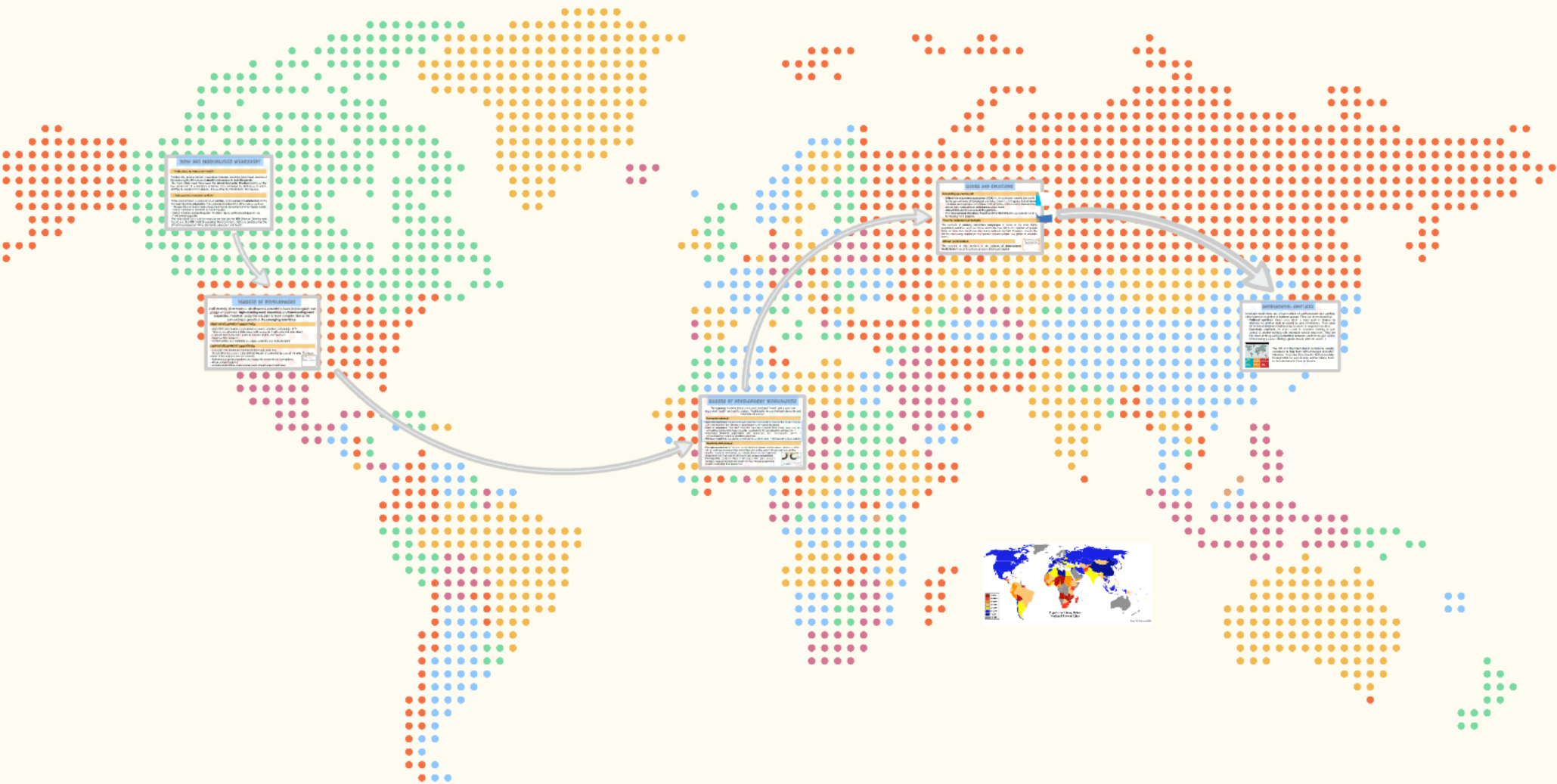
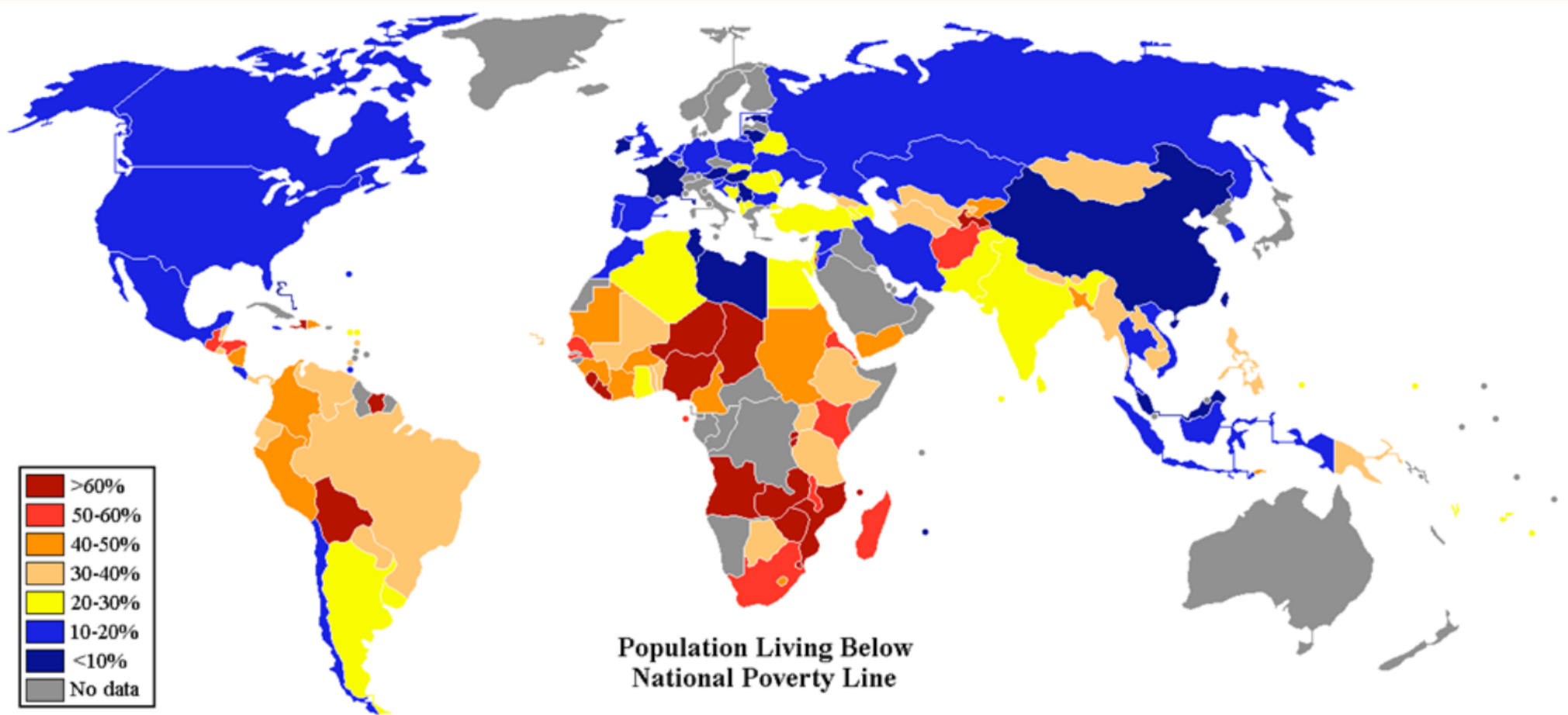


Unit 6: Socioeconomic inequalities and global conflicts. The UN.



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Source: CIA World Factbook 2008

HOW ARE INEQUALITIES MEASURED?

• Indicators to measure wealth

Traditionally, socioeconomic inequalities between countries have been measured by analysing the differences in **wealth** and **access to material goods**.

The most widely used have been the **Gross Domestic Product (GDP)**, or the total production of a country's economy. It is calculated by dividing a country's GDP by its number of inhabitants. It is used by the *World Bank*, for instance.

• Indicators to measure welfare

Today development is understood as **welfare**, or the **sense of satisfaction** felt by the majority of the population. This concept includes other dimensions, such as:

- The provision of basic needs (food, healthcare, education) and non-basic needs.
- Social cohesion or the level of social equality.
- Social relations and participation, freedom, rights, political participation, etc.
- Environment equality.

The most significant index to measure welfare are the **HDI** (Human Development Index) and the **MPI** (Multidimensional Poverty Index). Both are produced by the *UN* and are based on: living standards, education and health.

DEGREES OF DEVELOPMENT

Until recently, differences in development provided a basis to distinguish two groups of countries: **high-development countries** and **low-development countries**. However, today the situation is more complex, due to the extraordinary growth of the **emerging countries**.

HIGH-DEVELOPMENT COUNTRIES

- High GDP per inhabitant (advanced economic activities, technology, ICT).
- There is an extensive middle class (with access to health care and education).
- Consolidated democratic political systems (rights and freedom).
- Major carbon footprint.
- United States, EU, Switzerland, Japan, Australia and New Zealand.

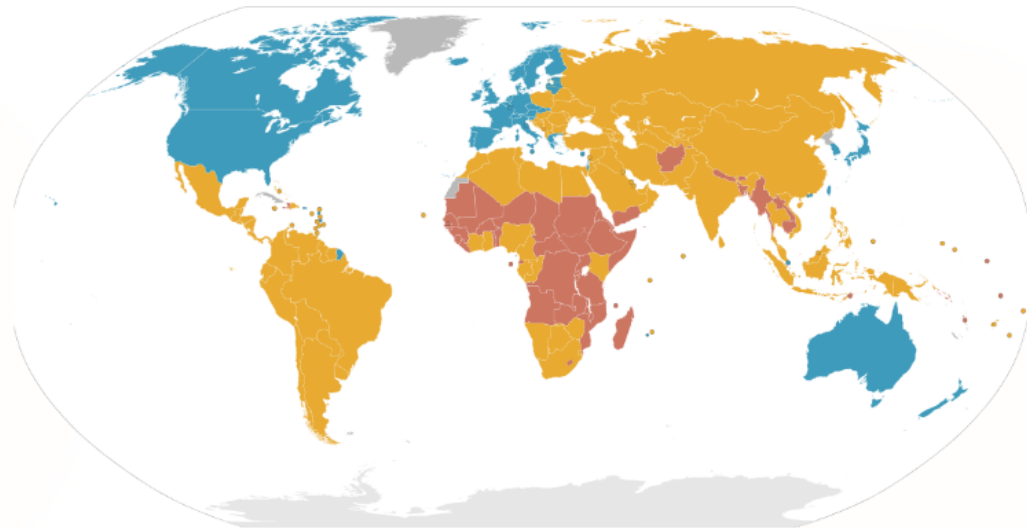
LOW-DEVELOPMENT COUNTRIES

- Low GDP per inhabitant (traditional economic activities).
- Social differences are clearly defined (wealth is controlled by a small minority. The basic needs of the majority are not covered).
- Authoritarian political systems are frequently encountered (corruption).
- Minor carbon footprint.
- Sub-Saharan Africa, Central Asia, Latin America and Caribbean.



EMERGING COUNTRIES

- Modest GDP per inhabitant (based on the export of cheap merchandise and an abundant labour force with low salaries).
- Their middle class has grown (but there are still major contrasts in social welfare).
- Recently established democratic systems (but their rights and freedom are limited).
- Increasing carbon footprint.
- The BRIC (Brazil, Russia, India and China), Mexico, New industrial countries (Singapore, South Korea), and some African and Middle East countries.



CAUSES OF DEVELOPMENT INEQUALITIES

The **reasons** for there being a rich and developed "north" and a poor and dependent "south" are hard to explain. Traditionally, we can find both domestic and international causes.

Domestic causes:

- **Natural conditions:** underdeveloped countries are mostly located in the tropical regions with very humid or dry climates (higher frequency of natural disasters).
- **Lack of resources:** they don't have the capacity to exploit their natural resources in a competitive manner (shortage of capital, population's limited education and poor ICT).
- **Imbalance between population and resources:** high demographic growth is compounded by the lack of available resources.
- **Political instability:** caused by armed conflicts, which result in demographic catastrophes.

International causes:

- **Foreign domination:** in the past, many underdeveloped countries were colonies and the ruling countries structured their economies around the export of raw materials and the import of manufactured goods. As a result, these countries became dependent from their ruler in what we knew as **neo-colonialism**.
- **Foreign debt:** unequal trading relationships lead to poor countries having to request international credit with high interests payments in order to develop their economies.

THE HIGHLY INDEBTED POOR COUNTRIES						
Region	Debt to GDP (%)	Interest	Debt to GDP (%)	Debt to GDP (%)	Debt to GDP (%)	Debt to GDP (%)
AFR	100	100	100	100	100	100
AMR	100	100	100	100	100	100
EUR	100	100	100	100	100	100
ASR	100	100	100	100	100	100
OCR	100	100	100	100	100	100
WOR	100	100	100	100	100	100

The HIPC are those in which the value of the foreign debt has become unsustainable as it is over 200% of their exports.

The World Bank, the International Monetary Fund (IMF) and other creditors designed the program to ensure that the poorest countries in the world are not overwhelmed by unmanageable or unsustainable debt burdens. It reduces the debt of countries meeting strict criteria.

THE HIGHLY INDEBTED POOR COUNTRIES

Afghanistan	Central African Republic	Ethiopia	Haiti	Mauritania	Senegal
Benin	Chad	The Gambia	Honduras	Mozambique	Sierra Leone
Bolivia	Comoros	Ghana	Liberia	Nicaragua	Tanzania
Burkina Faso	Republic of Congo	Guinea	Madagascar	Niger	Togo
Burundi	Democratic Republic of Congo	Guinea-Bissau	Malawi	Rwanda	Uganda
Cameroon	Cote d'Ivoire	Guyana	Mali	Sao Tome & Principe	Zambia

The **HIPC** are those in which the value of the foreign debt has become unsustainable as it is over 220% of their exports.

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ISSUES AND SOLUTIONS

Increasing economic aid

- **Official development assistance (ODA):** is the economic contribution made by the governments of developed countries. Even the UN agreed that all donor countries would provide 0,7 of their GDP, only five continue doing that and the others have reduced their contributions since 2008.
- **United Nations Development Programme.**
- **The International Monetary Found and the World Bank:** also provide credit for development projects.

Poverty reduction campaigns

The success of **poverty reduction campaigns** in some of the most highly populated countries, such as China and India, has led to the number of people living on less than \$1,25 per day being reduced by half. However, due to the World's increasing population, the number of poor people has grown in absolute terms.

Citizen participation

The solution of this problem is the **reform of international institutions** in order to achieve greater citizen participation.



WORLD B



Putting an end to domestic inequalities

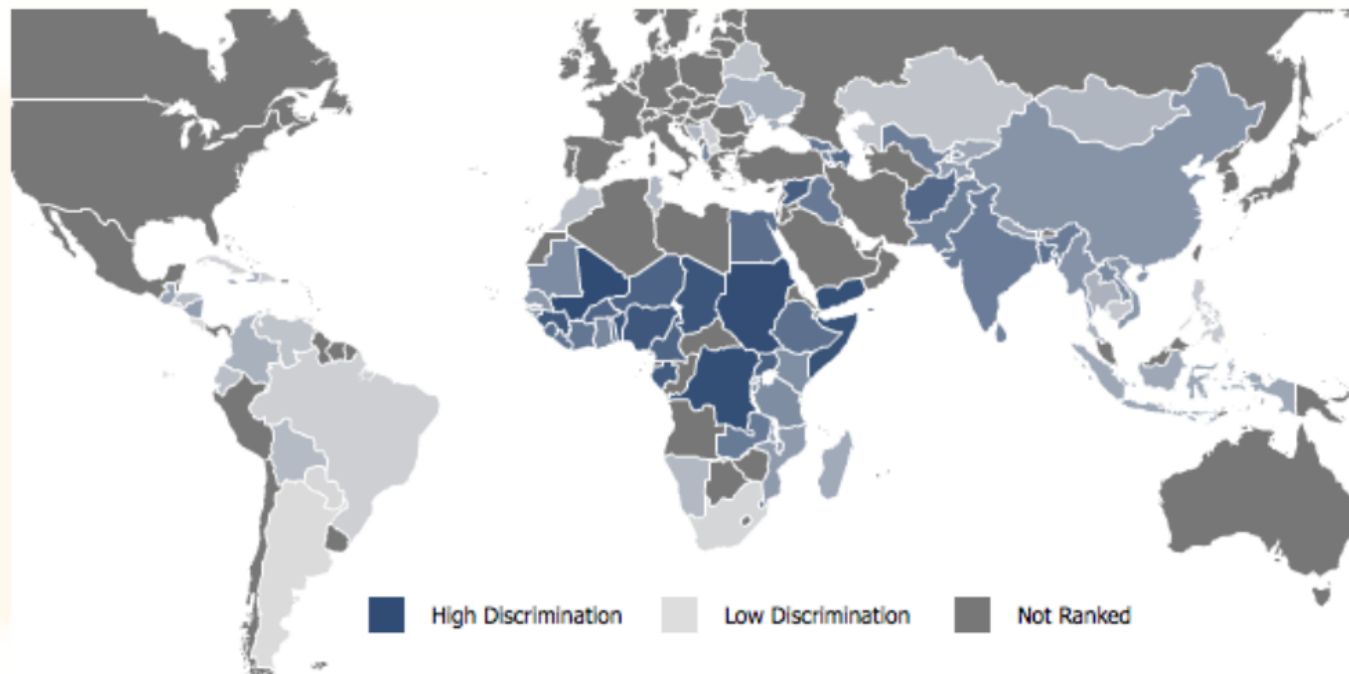
Economic inequality: the solutions to this problem include policies for redistributing wealth and better welfare provision. The latter includes granting microcredits to farmers, providing aid in exchange for certain social conditions (children attend to school, for instance) and universal access to health and education.

The discrimination suffered by certain social groups, for instance, when they need access to the most highly valued resources and services in society. Here we should include ethnic and religious minorities. The case of women is especially significant because according to the UN, women suffered the most widespread discrimination on a global level.



Putting an end to domestic inequalities

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INTERNATIONAL CONFLICTS

In today's world there are a high number of confrontations and conflicts, either between countries or between groups. They can be motivated by:

- **Political conflicts:** these arise when a state seek to impose its interests on another state or extend its area of influence. They could be territorial between neighbouring countries or separatist conflicts.
- **Economic conflicts:** its main cause is countries seeking to gain control of another territory with extensive natural resources. They are the result of the growing competition between countries to gain control of increasingly scarce strategic goods (wood, land, oil, water...).



The UN and the international community usually endeavour to stop them with embargos and other initiatives. They also try to resolve them peacefully through bilateral agreements and by taking them to the International Court of Justice.

WORLD WAR 3 FEARS: CONFLICTS ACROSS THE GLOBE



LIMITED

- 1 DESTABILISATION IN MALI
- 2 VIOLENCE IN CENTRAL AFRICAN REPUBLIC
- 3 CIVIL WAR IN SOUTH SUDAN
- 4 VIOLENCE IN THE DEMOCRATIC REPUBLIC OF CONGO
- 5 POLITICAL CRISIS IN BURUNDI
- 6 AL-SHABAB IN SOMALIA
- 7 ISLAMIST MILITANCY IN RUSSIA
- 8 NAGORNO-KARABAKH CONFLICT
- 9 UIGHUR CONFLICT IN CHINA
- 10 SECTARIAN VIOLENCE IN MYANMAR

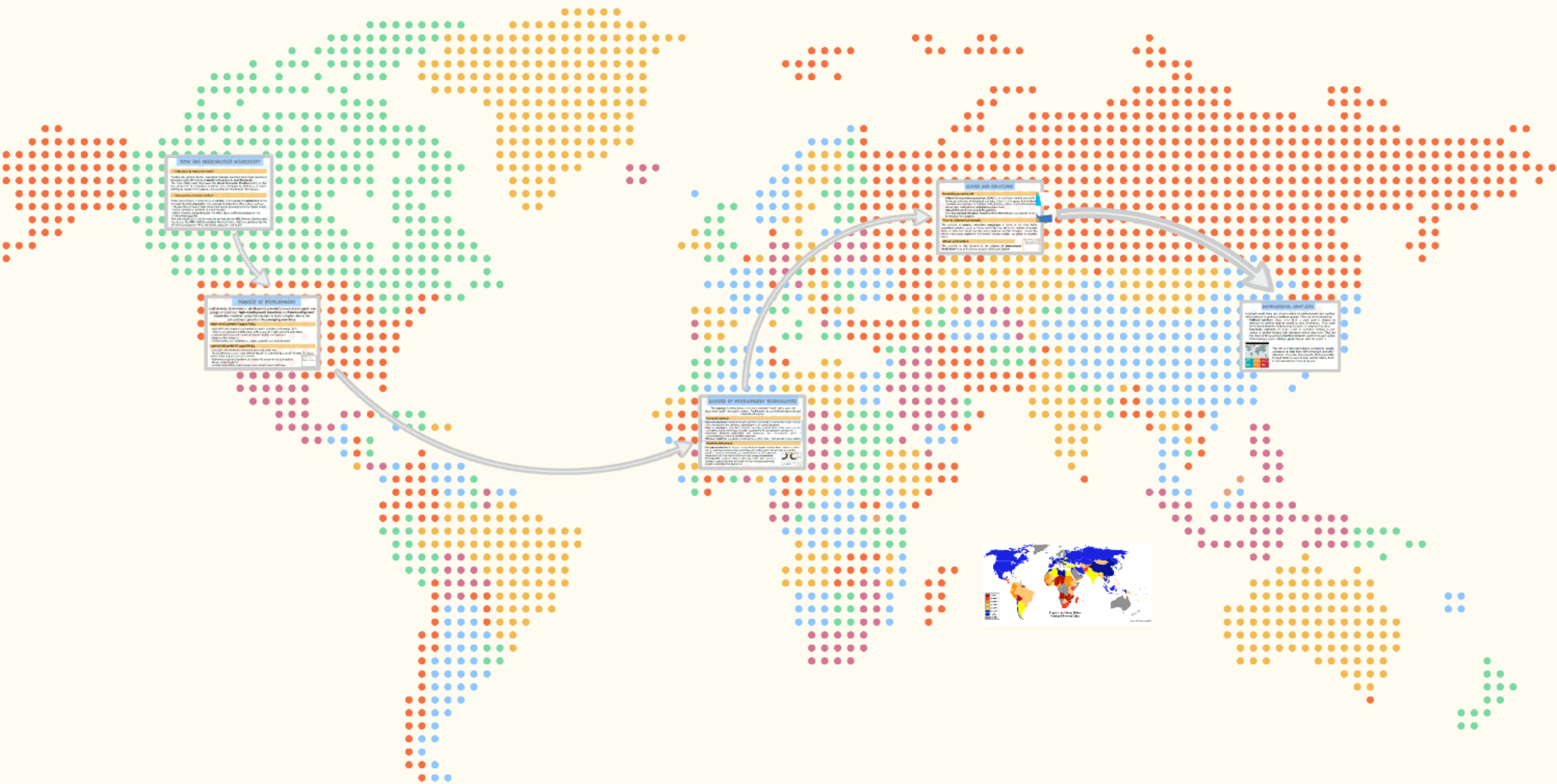
SIGNIFICANT

- 1 CRIMINAL VIOLENCE IN MEXICO
- 2 BOKO HARAM IN NIGERIA
- 3 REFUGEE CRISIS IN EUROPEAN UNION
- 4 CONFLICT IN UKRAINE
- 5 KURDISH CONFLICT
- 6 SECTARIAN CONFLICT IN LEBANON
- 7 ISRAELI-PALESTINIAN CONFLICT
- 8 ISLAMIST MILITANCY IN EGYPT
- 9 WAR IN YEMEN
- 10 ISLAMIST MILITANCY IN PAKISTAN
- 11 CONFLICT BETWEEN INDIA & PAKISTAN

CRITICAL

- 1 CIVIL WAR IN LIBYA
- 2 CIVIL WAR IN SYRIA
- 3 WAR AGAINST ISLAMIC STATE IN IRAQ
- 4 TALIBAN IN AFGHANISTAN
- 5 NORTH KOREA CRISIS
- 6 TENSIONS IN THE EAST CHINA SEA
- 7 TERRITORIAL DISPUTES IN THE SOUTH CHINA SEA
- 8 FINANCIAL DEBT CRISIS IN VENEZUELA
- 9 MILITARY COUP IN ZIMBABWE

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