

El mayor impedimento para el desarrollo social sostenible: la desigualdad global

The major impediment to sustainable social development: Global inequality



Hellen Lopez

Magister en Desarrollo Internacional: Pobreza y Desigualdad en la Universidad de Manchester, Inglaterra y Gestora con Mención Social por la Pontificia Universidad Católica del Perú, con Diplomado en Gestión Estratégica de la Responsabilidad Social Empresarial y Negocios Inclusivos y en el Programa de Diseño, Ejecución y Evaluación de Proyectos de Inversión Pública en la Universidad del Pacífico. Con experiencia como Jefe de Proyectos en Aprenda-Instituto de la Microempresa del Grupo ACP trabajando en el diseño, monitoreo y evaluación de proyectos públicos y privados en temas de emprendimiento y desarrollo de la microempresa. Ha laborado realizando diagnósticos en temas de salud y educación y programas sociales y de potencialidades económicas. Docente de la Facultad de Gestión y Alta Dirección.

Resumen

El incremento de la desigualdad global se ha vuelto una preocupación universal. La evidencia sugiere que la brecha entre los pobres y ricos se ha ampliado en las tres últimas décadas a pesar del crecimiento económico en varios países. Además, este incremento en la desigualdad no se refleja solo entre los países sino al interior de cada país, principalmente en los países occidentales miembros de la OECD. Como consecuencia de esto, las oportunidades sociales y económicas para la mayor parte de ciudadanos se encuentran limitadas. Este artículo analiza el impacto de la desigualdad global sobre el desarrollo social sostenible. Se argumenta que la desigualdad impide la igualdad de oportunidades sociales y económicas pues crea barreras para acceder a activos o capacidades que permiten que la sociedad pueda desarrollar sus propios proyectos. Asimismo, se explora el concepto de exclusión social como un resultado de la desigualdad y su impacto en la desigualdad en la salud.

Palabras claves: desigualdad global, desarrollo, problemas sociales, brechas

Abstract

The rising of global inequality has become a universal concern. The evidence suggest that the gap between rich and poor has widened in the last three decades despite the economic growth in some countries. Moreover, the increase of inequality is not only between countries but also within countries mainly in western OECD-countries. Because of this, the social and economic opportunities for most of the citizens are limited. This article analyzes the impact of global inequality on sustainable social development. It argues that global inequality impedes the equality of social and economic opportunity because creates barriers for an equal chance to access to assets or capabilities that allow society to develop their own projects. Furthermore, it explores the concept of social exclusion as the outcome of global inequality and its impact in health inequality.

Keywords: global inequality, development, social problems, gaps

Content

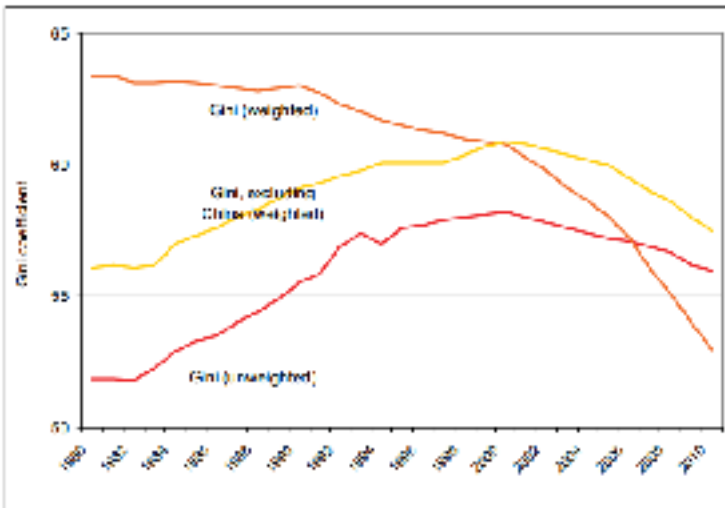
There is a shared concern that countries need to create a more equitable world. In the United Nations Millennium Declaration (2000), it was recognized that there is a collective responsibility to advocate equality and equity at the global level, however, despite some efforts, inequality is continue rising, reaching levels that seem excessive for the global population. Regarding to Global Income Inequality, while in Sub-Saharan Africa and India the per capita income is in the order of 150-250 euros per month, in Western Europe, North America and Japan is 2,500-3,000 euros per month, which is ten to twenty times higher (Piketty 2014). Furthermore, life expectancy in rich countries increased by thirty years and it continues increasing (Deaton 2013). This progress amplifies inequalities creating social problems in developing and developed countries leaving space for a change in the country's political and social agenda. This article analyzes the impact of global inequality on sustainable social development. It argues that rising global inequality constraints social and economic opportunities for most of the citizens in the world and creates social exclusion. The inequality of opportunity and

social exclusion obstructs sustainable social development because only the people included in socioeconomic processes will take advantage from social investment and economic growth. The article will present how global inequality has been rising and what sustainable social development is. The next section will analyze the effects of rising global inequality on the sustainable social development agenda. After this, the article presents the health inequalities to demonstrate its impacts. The last section will present some policy recommendations in order to improve sustainable social development.

Rising Global Inequality

The first definitions and calculations of global inequality were made in early 1980s by Berry, Bourguignon and Morrison (1983). They focus in the relationship between population-weighted international inequality and income inequality within countries. They examine inequality through the differences of income with the purpose of quantifying how unequal or equal was the distribution of resources. Since then, economic inequality has been the center of many studies and the Gini coefficient, a way

Figure 1: International income inequality, 1980-2010



Source: United Nations – Inequality Matters

to measure global inequality, became frequently used to demonstrate income distribution among countries. The Gini coefficient of zero expresses perfect equality, where all values are the same. In the other hand, a Gini coefficient of 1 (or 100%) expresses maximal inequality among values.

Figure 1 shows how international inequality radically increased between 1980 and 2010. According to UN (2013) this growth was due to the lost decade in Latin America and the decline of inequality, since 2000, which was due to the contribution of the strong economic growth in China, India and some countries in Latin America.

Despite the economic growth, income inequality is still at high levels in many countries. For example, low-income countries represent just above one per cent of global income but these countries have the 72 per cent of global population (UN, 2013). However, the increase of inequality is not only between countries but also within countries. The World Commission (2004) revealed that income inequality has increased in some industrialized countries, mainly in western OECD-countries, mostly, because of an increase in the share of capital in national income¹.

The rising of income inequality became a universal concern, nevertheless, some authors do not believe in the importance of income distribution or the rising of global inequality. Krueger (2002) believes that poor people are more concern to reach specific material conditions rather than the income distribution. Moreover, Feldestin (1998) believes that there is nothing wrong with the increase of inequality as a result from a rise in high incomes because this increase does not reduce the incomes and wealth of others. The main focus for this author is on the elimination of poverty rather than on the distribution of income and address policies that reduces poverty, but not inequality.

Bhagwati (2014) argues that global income inequalities are just mere numbers and nobody will tackle global inequality because there is no global government, therefore it is better to address inequality at the national level. Although this author highlights important issues, I argue that looking global inequality just from an in-

come perspective dismisses the complexity of inequality. Inequality refers to the unequal distribution of resources but also is a social construction among individuals and groups who experience different dimensions of well-being at different levels.

As Lenger and Shumacher (2015) point out, the empirical results give more importance to the necessity of including a number of cultural and social based factors to the analysis of global inequality. Walby (2009) and Bhagwati (2004) added other forms of global inequality relying on the following dimensions of well-being such as gender, class, ethnicity, culture, labor standards, and environment. Therefore, the unequal living conditions and income are connected with other dimensions of inequality.

There is a large inequality in the levels of healthcare and access to education between countries and among social groups. For example, the difference in life expectancy between Japan and Southern Africa increased from 18 to 31 years (UN 2013). This is determined by the access of health during the first years of life. Regarding to education, Wail, Said and Abdelhalak (2011) shows how inequality persists between 1950 and 2010 between man and women (Figure 2). Girls are more likely to not attend to school mostly in Sub-Saharan Africa and South Asia. The evidence reviewed here suggest that the gap between rich and poor has widened in the last three decades despite the economic growth in some countries; therefore, it is relevant to see the impacts on the socio-economic development.

Sustainable social development

This article argues that rising inequalities are a major impediment to sustainable social development because of specific issues that will be explained, but first, it is important to understand the concept of sustainable social development (SSD).

Social development pursues social well-being in order to improve people's quality of life. At the beginning social development practices

¹ The Gini Coefficient shows that in the mid-1980s OECD countries had an average of 0.29 for working-age persons. By the late 2000s, it had increased by almost 10% to 0.316.

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Figure 2: Gini coefficients of educational inequality by sex in some regions, 1950-2010

	Male		Female	
	1950	2010	1950	2010
Europe and Central Asia	0.38	0.15	0.44	0.17
Middle East and North Africa	0.89	0.38	0.95	0.49
South Asia	0.74	0.37	0.93	0.57
Sub-Saharan Africa	0.79	0.43	0.89	0.54
Latin America and the Caribbean	0.60	0.30	0.65	0.31

Source: Wail, Said and Abdelhalak, (2011).

used to focus all the interventions to tackle poverty and to attend poor people who have basic needs. Later, the concept integrated other dimensions such as equality. For example, Omer (1979) defines social development as a process which enables a unified social and economic development as well as values of human dignity, equality and social justices. Therefore, social development studies and practices started considering not only the poor people but a social change of the humanity.

Midgley (2014) states that social development is a process of planned social change but it has to be considered the context and its dynamic multifaceted which comprised several dimensions as cultural, environmental, social and gender. The author recognizes that there have been significant changes through an incremental social development process but in order to continue improving the "existing conditions" has to be transformed. The concept of sustainable social development addresses the importance of having the social conditions and an environment where people can improve their well-being.

According to Cronjé and Chenga (2009:416) "a SSD entails the long-term transformation, improvement and continuous betterment of the livelihoods of people in a given social context...". I argue that in order to have a SSD, the societies need to have a social cohesion and a sense of community where everyone can participate in social, political and economic processes. Social cohesion helps to increase levels of trusts which make people feel connected, included and se-

cure. According to Wilkinson and Pickett (2010) levels of trust are low in unequal societies and this affect well-being of individuals, because if people feel secure, they can live longer.

For example, Stiglitz (2011) uses the experience of countries in Latin America, which is the region with the highest level of inequality. In this region, there is no social cohesion because countries have been under civil conflict for decades causing social instability. These societies do not trust each other and to their governments. A possible consequence of this can be that the levels of participation in politics are very low.

Therefore, SSD requires the participation of the population that ensures that social cohesion is preserved but most importantly, that it continues increasing for next generations. The main focus of SSD is on the well-being of next generations, as Bijil (2011) points out; SSD deals with people's welfare ensuring that present generation leaves enough scope for successive generations where everyone can enjoy good quality of life.

Finally, in order to have social cohesion and inclusion, SSD needs strong social institutions that include marginal groups into society. Social institutions are the norms and practices shared within societies that have an effect on social relations and human capabilities. For example, five gendered social institutions that can lead and perpetuate poverty and inequality are: discriminatory family codes, son bias, limited resource rights and entitlements, physical insecurity and restricted physical liberties (Jones

and Presler, 2012). These social dynamics are the factors that impede societies to connect to different opportunities and create social exclusion.

In conclusion, sustainable social development is a process that enables people and future generations to improve their well-being and it relies on social cohesion and strong social institutions that include people on social and economic structures. In the next section it will be explained how the rising of global inequality constraints SSD.

Why Global Inequalities is the major impediment to SSD?

In the first section, it was shown that Global Inequality affects poor and rich countries and even though some countries have economic growth income and non-income inequalities can destabilize the benefits of this growth. For this reason, many countries invest in social development through projects and programs, however, as long as global inequality continues rising, social investment initiatives are far from being effective.

I argue that rising global inequality is a major impediment to SSD because it constraints social and economic opportunities from most of the citizens in the world and it creates social exclusion. First, the equality of social and economic opportunity means that everyone in the world should have an equal chance to access to assets or capabilities that allow them to develop their own projects. Stiglitz (2012) points out how United States was a country prided itself on being a fair society where people has equal chances to develop their ideas and progress; however, the statistics show a different scenery. Nowadays, the possibilities for poor people and middleclass are smaller than in many countries of Europe.

The inequality of opportunities affects next generations because it perpetuates poverty and oppression since it constraint individual characteristics such as capabilities and aspirations. People who live under unequal societies assure that there is no social justice for them and their families and their socially constructed aspirations can be constraint by the lack of recognition in this system. One of the requisites for social justices is that everyone should achieve a fair starting point. For example, a fairly start point is a baby who born with a decent weight

and height and live in an environment where he can avoid certain mortal diseases through vaccination or the knowledge of her mom of preventing. From this starting point, this boy must have equal advantage to access to the distribution of income and wealth, nevertheless, the basic structures of societies favored specific social classes and global inequality spread these practices because it gives more power to higher classes.

Rawls (1999) claims for two principles of social justice that I believe are the basis to decrease global inequality and have a SSD. The first principle highlights the importance of equal basic liberties for each person in the world. I find compatible this principle with Amartya Sen Approach of freedom where people need to have capabilities to be able to do and to be free. In this way, Sen claims for equality of overall freedoms rather than equality of opportunities (Sen 1992). Certainly, capabilities give people more options to access to socio economic structures because it increases their agency and, at the same time within societies, increases the social capital which allows them to produce and access to goods and services.

The second principle of Rawls assesses the significance of arrange social and economic inequalities in a way that both can be reasonably achieve by everyone. Together, the principles of social justice require a "minimum capacity for the sense of justice" because it assures that everyone has equal rights. This sense of justice that Rawls argues is what people claim due to the rising of global inequality and it can be seen in Occupy movements and grassroots movements. People want to below to a society where there are equal social and economic opportunities. If this is not challenge, SSD will only have poor outcomes because government can invest on improving social dimensions but if the economic and social structures are not transformed, only few people will take advantage of economic growth.

Besides inequality of opportunities, I argue that SSD cannot be achieved effectively because global inequality causes social exclusion on population. Social exclusion as a social phenomenon can have two effects: on the access and accumulation of assets and on social categorization (gender, class, and ethnicity). Silver (1994) claims that social exclusion arises from

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the interplay of class, status and political power because benefits the people who is included in the system. Moreover, the intersectionality between gender and ethnicity or class and gender in social practices can have more impacts on inequality and poverty.

Social categorization has existed historically based on system of stratification such as slavery and cast but modernity and the intense use of capital created a social categorization where social classes are dominant. Social classes in developing and develop countries exclude people based on status and lifestyle. Therefore, people compare their lifestyles with others in the same society and sometimes they exclude themselves. As Wilkinson and Pickett (2010) point out, people is unequal and deprived in relation to the rest of society. I believe that the exclusion is produced from income inequality as well of social inequality. Together, those inequalities not only exclude people but also make them feel that they do not belong to a society.

In conclusion, inequality of opportunities and social exclusion are the outcomes of rising global inequality and as long as those constraints are not challenged, the efforts in SSD will be

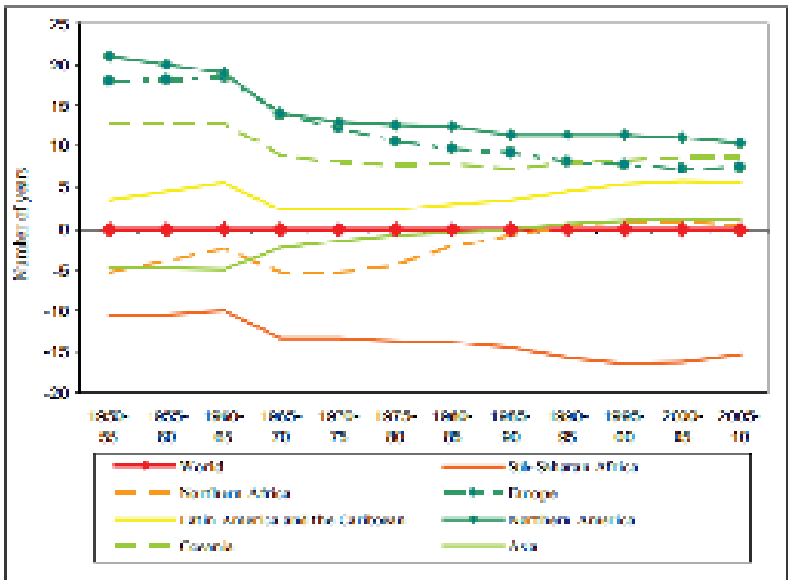
dismissed. In the next section it will be analyzing the impact of health inequality in order to see how it impedes SSD.

Health Inequality

In order to understand how global inequality affects SSD, I will analyze health dimension and bring specific examples of countries performance. One indicator that shows the progress of health services is life expectancy. Figure 3 illustrates the global inequality between regions in life expectancy. Sub-Saharan Africa and Northern Africa are the regions with the lowest life expectancy and Europe and North America the regions where people live more years.

One possible explanation of this inequality between countries can be the access and quality of health services, however, Wilkinson and Pickett (2010) point out that there is no relationship between government spending in medical attentions per person and life expectancy. This indicator can be related with several factors as psychological wellbeing, social support, lack of

Figure 3: Trends in the gap in life expectancy at birth between each region and the world average, 1950-2010 (both sexes)



Source: United Nations, Department of Economic and Social Affairs, Population Division (2013) World Population Prospects: The 2012 Revision.

stress in early life, social network, security, national and international conflict, among others. As it can be seen, several factors are associated with the social dimension. Some authors suggest that the social position and health (health gradient) has an inverse relationship (Culter, Deaton and Lleras-Muney 2006, Kitagawa and Hauser, 1973). Therefore, the socioeconomic status has an impact on health indicators. Nonetheless, even healthier and rich countries can have high levels of death rates rather than developing countries. McCord and Freeman (1990) explore the data of death rates between several places around the world and found that New York (Harlem) were higher comparing to rural Bangladesh.

I argue that the inequality of opportunity affects SSD and regarding to health inequality it is proven that people who can access to other dimensions of social development such as education, has a better health. For example, Beckfield, Olafsdottir and Bakhtiari (2013) demonstrate that people who are advantaged in terms of education or income can have better health. The authors analyze health inequalities in 48 countries ² finding that Chile, Bulgaria, Guatemala and South Africa had the largest inequalities based on education. Even though, Chile and Bulgaria are considered upper middle income countries, they have population that do not have access to health.

Since Chile is one of the countries with the largest income inequality (Gini coefficient is 50.5 ³), there are more possibilities to have unequal health access.

In contrast, to those countries, Hong Kong, Malaysia, and Switzerland do not have differences in health based on income inequality. Mainly, Switzerland has the best performance for tackling inequality and it is a country with one of the best social development indicators. This country proves how "the more equally wealth is distributed, the better the health of that society (Wilkinson and Pickett 2010).

To conclude this section, the evidence supports the notion that health achievement in societies depends on addressing the underlying inequalities such as giving equal access to social and economic structures.

Agenda for a SSD

Reducing inequality below its current level has to be in the agenda of every country. In order to achieve this, government should start giving a fairly start point to every citizen and equal access to opportunities. Piketty (2014) call for a modern redistribution where governments finance public services (mainly in education and health) and replace incomes more equal for citizens. He emphasizes that this redistribution has to be built based on social justice and human rights. However, the government is not the single responsible. Since I argue that global inequality produces social exclusion which affects directly every social class, individuals can also act from their position to reduce levels of inequality.

In order to address the participation of individuals, building capabilities could be the first step for social policies. This will help to achieve social outcomes in education and health and more importantly, to have a sustainable social development where next generations can have equal access to resources.

The aim of the present essay was to examine the effect of rising global inequality on sustainable social development. This essay has identified that the inequality of opportunity and social exclusion are the major constraints for a sustainable social development. Both have an effect on social cohesion causing that people believe that they do not belong to society. Moreover, inequality of opportunity benefits only few people from the access of services such as health and education. Regarding to health inequality, the indicators have revealed that specific forms of inequality such as income and social inequality not only affect poor people but also upper-middle social classes. This demonstrate how important is to tackle global inequality because it affects sustainable social development between and within countries.

² ChartsBin statistics collector team 2011, Country Income Groups (World Bank Classification), ChartsBin.com, viewed 17th December, 2015, <http://chartsbin.com/view/2438>

³ Gini Index (World Bank Estimate) viewed 17th december, 2015, <<http://data.worldbank.org/indicator/SI.POV.GINI>>

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