# THE INEQUALITY PREDICAMENT

# Šárka Brychtová

Ústav veřejné správy a práva, Fakulta ekonomicko-správní Univerzity Pardubice

#### Abstract

The United Nations Report on the World Social Situation 2005: the Inequality Predicament, issued today, sounds the alarm over persistent and deepening inequality worldwide. The Report focuses on the chasm between the formal and informal economies, the widening gap between skilled and unskilled workers, the growing disparities in health, education and opportunities for social, economic and political participation.

### Key words

The United Nations Report; The World Social Situation; The Inequality Predicament; The Absolute Poverty, Globalisation.

### The United Nations Report on the World Social Situation 2005

The absolute poverty <sup>1</sup> not only that coexists with rapid economics grow but number of human that live in the absolute poverty is generated through system that is motor this economics grow. It is fact that our human society was not be able to take out or only reduce human poverty and a lack of nutritive during sixty years the postwar development when economics have noted large grow.

Unfortunately The United Nations Report on the World Social Situation 2005 has not positive content: Our World is more unequal than ten years ago.

Though some parts of the world have experienced unprecedented growth and improvement in living standards in recent years, poverty remains entrenched and much of the world is trapped in an inequality predicament.

The United Nations Report on the World Social Situation 2005: the Inequality Predicament, issued today, sounds the alarm over persistent and deepening inequality worldwide. The Report focuses on the chasm between the formal and informal economies, the widening gap between skilled and unskilled workers, the growing disparities in health, education and opportunities for social, economic and political participation.

By detailing some of the most critical issues affecting social development today, the Report can help guide decisive action to build a more secure and prosperous world in which people are better able to enjoy their fundamental human rights and freedoms. Overcoming the inequality predicament is an essential element of this quest.<sup>2</sup>

Departing from approaches that have focused on economic growth as a panacea to development problems, the Report notes that a focus on growth and income generation neither sufficiently captures nor addresses the inter-generational transmission of poverty; it can lead

\_

<sup>&</sup>lt;sup>1</sup> The level of The Absolute Poverty is definated by World Bank like the per capita consuption less than 1 USD/day. 22 % worlds population lived in so-called absolute poverty in 1995. Despite of all steps UNO (The United Nations Organisations) more than 1 miliard of people lives under or on edgeways the absolute poverty. The United Nations Organisations therefore has called period 1997 – 2006 like International decade for elimination of poverty.

<sup>&</sup>lt;sup>2</sup> United Nations Secretary General Kofi Annan.

to the accumulation of wealth by a few and deepen the poverty of many. In fact, despite considerable economic growth in many regions, the world is more unequal than it was ten years ago.<sup>3</sup>

We will not be able to advance the development agenda without addressing the challenges of inequality within and between countries.<sup>4</sup>

According to the Report on the World Social Situation 2005: The Inequality Predicament:

Inequalities between and within countries have accompanied globalization. These inequalities have had negative consequences in many areas, including employment, job security and wages.

- Unemployment remains high in many contexts and youth unemployment rates are particularly high. Youth are two to three times more likely than adults to be unemployed and currently make up as much as 47 per cent of the total 186 million people out of work worldwide. Most labour markets are unable to absorb all of the young people seeking work.
- Millions are working but remain poor; nearly a quarter of the world's workers do not earn enough to lift themselves and their families above the \$1 per day poverty threshold. A large majority of the working poor are informal non-agricultural workers. Changing labour markets and increased global competition have spurred an explosion of the informal economy.
- In many countries wage inequalities, especially between skilled and unskilled workers, have widened since the mid-1980s, with falling real minimum wages and sharp rises in the highest incomes.
- Despite progress in some contexts, health and education inequalities have widened, especially within countries. Sub-Saharan Africa and parts of Asia are in the worst predicament. Inequalities in life expectancy have widened dramatically. HIV/AIDS has aggravated these differentials, especially those between Africa and the rest of the world.
- Violence is often rooted in inequality. It is dangerous for both national and international peace and security to allow economic and political inequality to deepen. Such inequalities, especially struggles over political power, land and other assets can create social disintegration and exclusion and lead to conflict and violence.<sup>5</sup>
- Etc.

\_

A poverty, a malnutrition, a violence, an illiteracy, an absence of a democracy concernes of course more groups of population that should be protected by society: children, women, minority groups, handicapped people etc.

<sup>&</sup>lt;sup>3</sup> www.unicprague.cz Report on the World Social Situation. 2005.

<sup>&</sup>lt;sup>4</sup> José Antonio Ocampo, Under-Secretary General for Economic and Social Affairs. Ocampo also noted that "the timing of the Report could not be better. With 2015 as the target date for the achievement of the Millennium Development Goals, it is the right time to incorporate the goal of reducing inequality in our strategies to promote development, security and human rights for all."

<sup>&</sup>lt;sup>5</sup> www.unicprague.cz Report on the World Social Situation. 2005.

### The Report UNO below states that:

- There are also wide gaps in access to immunization, maternal and child care, nutrition and education. Gender gaps in access to education have narrowed somewhat, but persist. This situation contributes to a human capital crisis and threatens sustained poverty reduction.
- Manifestations of such violence discussed in the Report include war, the use of child soldiers, and domestic and sexual violence.
- Indigenous peoples, persons with disabilities, older persons and youth are typically excluded from decision making processes that affect their welfare. These groups, which have been discriminated against throughout history, are still frequently denied their basic human rights. They are also often excluded from the political process.

The Report of The International Labour Organisation states that least 12,3 millions people in the world nowadays are victims of forced labour.

Almoust ten millions people are exploitated to a forced work in a private sector. Two and half million people are victims a trade in people. They are outflows of 32 millions american dollars every year which is about 13 thousand per capacity every year who became victims of the trade in people or a forced labour.<sup>6</sup>

Let me give you several notes and several questions ... This is not surely matter of *the other world*, it touches every person living on this Earth. The world was always one another – connected and splited at the same time. Who knifes one – knifes the whole of the world. Who safes one – safes the whole of the world.<sup>7</sup> But the edges of the splitting of the world in nowadays are more and more sharper; (maybe rounded to – in democracy world). How to escape from this situation of a disconsolate world? I am afraid nobody knows... But who else than UNO should come with new and active stimulation...?

# Based on these findings, the Report on the World Social Situation 2005 recommends that:

- Worldwide asymmetries resulting from globalization should be redressed, with emphasis placed on more equitable distribution of the benefits of an increasingly open world economy. This should be facilitated by promoting democratic participation of all countries and peoples in the processes that determine the international development agenda.
- Democracy and the rule of law should be promoted and special efforts made to integrate marginalized groups into society. This effort must be backed by political will.
- To prevent global conflict and violence, attention should be paid to reducing the inequalities in access to resources and opportunities.
- Conditions in the informal economy should be improved by providing social protection programmes and better linkages between the formal and the informal economies.

<sup>&</sup>lt;sup>6</sup> www.globalallianceagainstforcedlabor.htm. Report of a Global Alliance Against Forced Labour. 2005. (The Report quantifais this problematics for the first time).

<sup>&</sup>lt;sup>7</sup> Powel J. A reason to live, a reason to die. Tabor Publishing. Texas USA. 1975. s. 69.

 Opportunities for productive and decent employment should be expanded; youth should be a focus of employment policies and programmes. With decent employment those who are able to secure jobs and receive adequate compensation, benefits and protection under the law are also empowered to voice their concerns and participate more actively in society.

## The unequal development of the world – why? Does simply answer exist?

The unequal development of the world is not result none natural processes or ranges of regularity but the process that is result continuous creation of relationships of dominance and dependence and their present infirming. The result of this figur is strong determinative by a unequal lay of power.

The inequality between places and people exists on all ordinal levels: local, regional, global, but while regional level is regulated via reallocation mechanism, global level still does not exit regulated mechanism. At the same time – that's just it – inequality on global level have reached long ago step that threaten development of whole system of world's ekonomy (and according some one by itself his existence): at least in zone moral and environmental already semiphery does not represent reliable buffer between problem and people kernel and periphery.

Symptom of beginning of formation of global regulation mechanism can be erosion statehood – discussed though while not very expressive – related with transfer power from institution to actors ordinal - higher and lower level. This transfer till this time be related to far more economical than political power with its regulative mechanisms. The effect was only further depression of inequality. Global polical mechanism but seems necessary to regulation of inequal development.

This regulation should by found above all on:

- Positive discrimination of groups and places that are disadvantage spreading of power The motivation of this policy:
- altruistic: pay of historical debts in face of people and places<sup>8</sup>
- pragmatic: preceding of global problem following from undeveloping these groups and places

This regulative policy would probably reduce to undevelopment on global – macroregional level. Is but indeed real?

## **Doubts about success this policy:**

- this policy have to give to people of periphery freedom of choice one's own future
- are local people ready this responsibility akcept?

Individual aspects (first Africa) are each other linked that to find answer solving is practically impossible. The origin of backwardness is possible find of course in period of

-

<sup>&</sup>lt;sup>8</sup> Horrors that have cause to humanity dictatorial regime are not nothing other than top of all fright that our predecessors - recently and long time ago too. Starting with excesses and bloodsheds among Christians nations (Europe history is very rich on it) European have to answer for all what perpetrated initially his colonies in exotic nations. In that case the hardest offence consists in us. It follows picture universal human shadow that it can't be paint more black (freely translated according: Jung C. G. Gegenwart und Zukunft. Paperback. 1964. s. 58).

colonisation that was cause too one-ways development. Majority countries today is dependent on export of mineral sources and agricultural products. Unfortunatelly prices are very low. Revenues of this business can not be enought to coverage of needs of given country.

No from everything we can guilt past. Other reason of backwardness is giant corruption that with illegal business and together growing criminality brake all assesment of development; despite of the efforts of The International Monetary Fund (IMF) and The World Bank. These organisations tried establish via intervention of budget balance, reform of taxation, liquidation of debts, reclassification and privasitation of banking system in past. Also it was necessary - a liberation of an external and a home trade; should be make privatisation public companies. Result should be reduction of corruption and global growth of market ekonomy. Prospective results unfortunately absented.

State everywhere in Africa participates on the informal ekonomy what is related to especially a foreign trade. Exemplary Uganda - there is common connection between market that is under control of state and black market – it is illegal export of products of agriculture. Tax evasions in Africa are the biggest of the world and the richest inhabitans are the biggest swindlers at the same time.

And in the end let me give a citation which describes full my individual opinion on this problematics:

We have been watching the situation around ourselves and in the world with a fascinating. We would research our hearts instead this. Every demagogue uses this human weakness to point with the most shout to external conditions, that are not all right. What is not all right first of all and absolutely dominant way is man. <sup>10</sup>

### Literatura

- 1. Jehlička P., Tomeš J., Daněk P. Stát, prostor, politika. Univerzita Karlova. Praha. 2000.
- 2. Jung C. G. Gegenwart und Zukunft. Paperback. 1964.
- 3. Jung C. G. Nach der Katastrophe. In Aufsätze zur Zeitgeschichte. 1946.
- 4. Powel J. A reason to live, a reason to die. Tabor Publishimg. Texas USA. 1975.
- 5. www.unicprague.cz Report on the World Social Situation. 2005.
- 6. <u>www.globalallianceagainstforcedlabor.htm.</u> Report of a Global Alliance Against Forced Labour. 2005.

### Adress:

RNDr. Šárka Brychtová, Ph.D.

Ústav veřejné správy a práva, Fakulta ekonomicko-správní Univerzity Pardubice

Studentská 84, 532 10 Pardubice

tel: 466036527

e-mail: sarka.brychtova@upce.cz

<sup>&</sup>lt;sup>9</sup> And they are especially institutions UNO that have lent of resources. They have sizable influence to ekonomy of developing countries - african countries first of all. Critical situation in Africa is allowed to be on area of priority. It is engagement of UNO – the support of african continent through formation of special programmes. These programmes are directed to debt, amortisation of earn, increasing of capacity of direct foreign placement; support of raising autarchy and capacity of particular states.

<sup>&</sup>lt;sup>10</sup> Jung C. G. Nach der Katastrophe. In Aufsätze zur Zeitgeschichte. 1946. s. 114