

Global inequality caused by consumption

[Sociology](#), [Social Issues](#)



Core issue: consumption causes global inequality. Global inequality is the inequality in distribution of income and wealth between rich and poor countries. A concentration of wealth is in the hands of very small number of people. A study by the World Institute for Development Economics Research at United Nations University reports that the richest 1% of adults alone owned 40% of global assets in the year 2000, and that the richest 10% of adults accounted for 85% of the world total. The bottom half of the world adult population owned barely 1% of global wealth.

According to the wealth concentration theory, those who already hold wealth have the means to invest in new sources of creating wealth or to otherwise leverage the accumulation of wealth, thus are the beneficiaries of the new wealth. Over time, wealth condensation can significantly contribute to the persistence of inequality within society. This correlation between being rich and earning more is also contributed by plutocracy: the ability of the rich to influence government disproportionately to their favor thereby increasing their wealth. This unjust global trade regime as a primary cause in increasing global inequality ----- Wealth and poverty make life different in a host of ways. health, education, literacy, child labour, employment, gender, political participation, higher level in countries with higher income Compare their economic productivity--> classify countries.

Gross Domestic Product (GDP) & Gross National Income (GNI) The World Bank uses GNI per person to classify countries. Low income (P559) For example, workforces in China, much of which is well trained and educated and now receive extremely low wages-sometimes less than one-twentieth of what workers earn in comparable jobs in the developed countries. These

institutionalised inequalities result in greater marginalisation within society. The report emphasises the inevitable social disintegration, violence and national and international terrorism that this inequality fosters. Ironically, the diversion of social development funds to national/international security and military operations produces further deprivation and marginalization, thus creating a vicious cycle.