

\$1 billion

Distribution of Global Wealth

Wealth =

Assets – Liabilities

(house not included)



Poverty: a situation in which people have great hardship meeting basic needs for food, shelter, and clothing.



Absolute poverty: a situation in which people lack resources to satisfy the basic needs no person should be without



Relative poverty: a situation in which a person is disadvantaged when compared to a particular situation or against an average or advantaged situation





A person who must ride the bus 3 hours a day to get to work and back experiences poverty relative to those who drive cars to and from work each day.

Extreme wealth: the most excessive form of wealth, in which a very small proportion of people in the world have money, material possessions, and other assets in such abundance that a small fraction of it (if spent appropriately) could provide adequate food, water, sanitation and health care for the 1 billion poorest people on the planet

The combined wealth of the 1,210 billionaires in the world is estimated to be \$4.5 trillion. This amount is equivalent in size to the 3rd largest economy in the world.

1 st	U.S.	\$14.7 trillion
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2nd China \$10.1 trillion

3rd 1,210 richest \$ 4.5 trillion

4th Japan \$ 4.3 trillion

5th India \$ 4.1 trillion

The combined income of the 400 wealthiest people in the United States is estimated to be \$1.37 trillion. This amount is equivalent in size to the 14 largest economy in the world.

12 th	Mexico	\$1.567 trillion
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13th S. Korea \$1.459 trillion

14th 400 richest \$1.370 trillion

15th Spain \$1.369 trillion

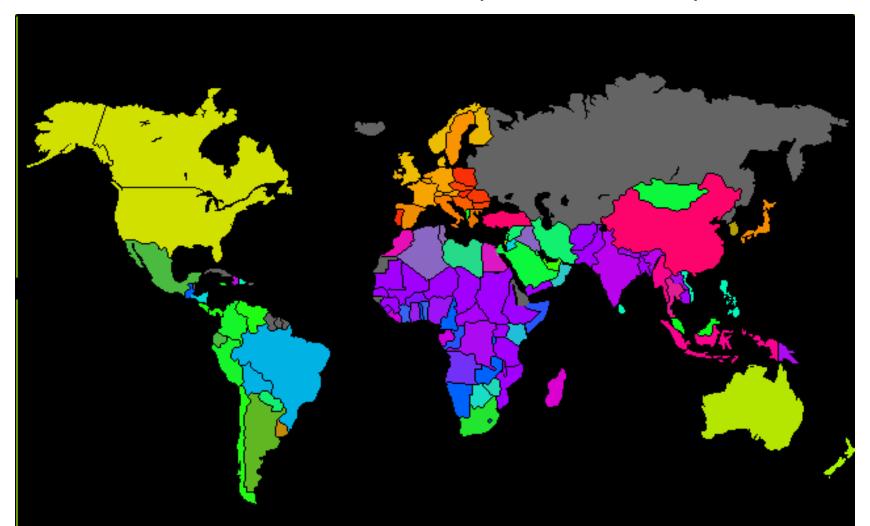
16th Canada \$1.33 trillion

Sociologists study inequality

- across countries: sociologists identify a valued resource or experience and estimate the chances of achieving or acquiring it by country
- within countries: sociologists look within countries to consider how wealth, income, and other valued resources are distributed

Inequality across countries

The places in which people are born have an important effect on their life chances (243 countries).



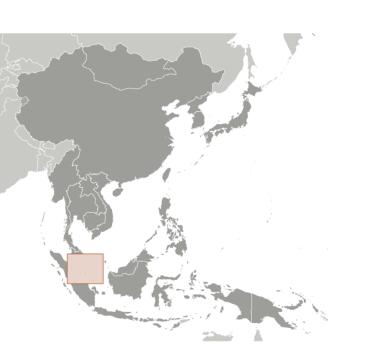
Example 1:

Chances of surviving first year of life

Best chance...

Singapore

2.29 of 1000 babies born die before reaching age 1.





Sweden

2.76 of 1000 babies born die before reaching age 1.





Worst chance...

Angola

185.4 of 1000 babies born die before reaching age 1.





Sierra Leone

185.4 of 1000 babies born die before reaching age 1.





Example 2 Chances of surviving childbirth

Best chance...

Greece

1 in every 100,000 women die giving birth.





Worst chance...

Sierra Leone

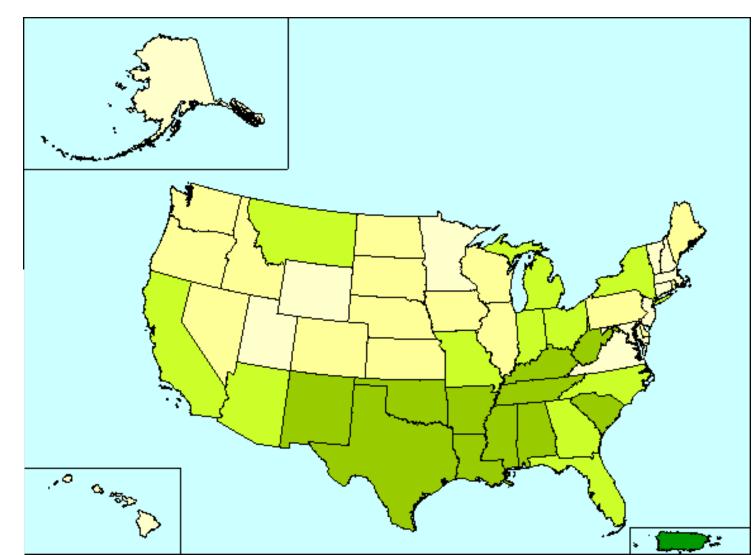
2000 in every 100,000 women die giving birth.





Inequality within countries

Percent of Children Under 18 Years Below Poverty Level in the Past 12



Data Classes

Percent

9.5 - 13.5

14.1 - 17.6

18.2 - 20.8

22.4 - 30.2

55.9 - 55.9

Features

Modernization Theory

Poor countries are poor because they have yet to develop into modern economies.

This failure is the result of cultural factors.

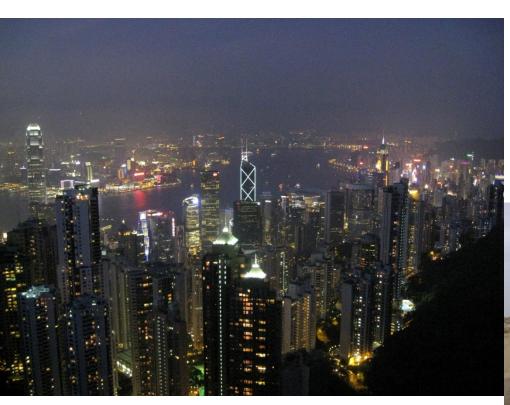
Modernization

A process of economic, social and cultural transformation in which a country 'evolves' from an underdeveloped to a modern society

The textbook lists at least 8 qualities of a modern society.

Some examples are ...

1. A high proportion of population lives in and around cities...



...not in the countryside.



2. The energy to produce food, make goods, and provide services does not come primarily from physical exertion...



... but from inanimate sources such as burning oil and other



3. People feel a sense of loyalty to a country ...



...rather than an extended family and/or tribe.



Modernization theorists hold that western countries can jump-start modernization through foreign aid and investments, including:

- technology transfers (e.g., fertilizers, pesticides)
- contraception programs
- loans
- cultural exchange
- medical interventions



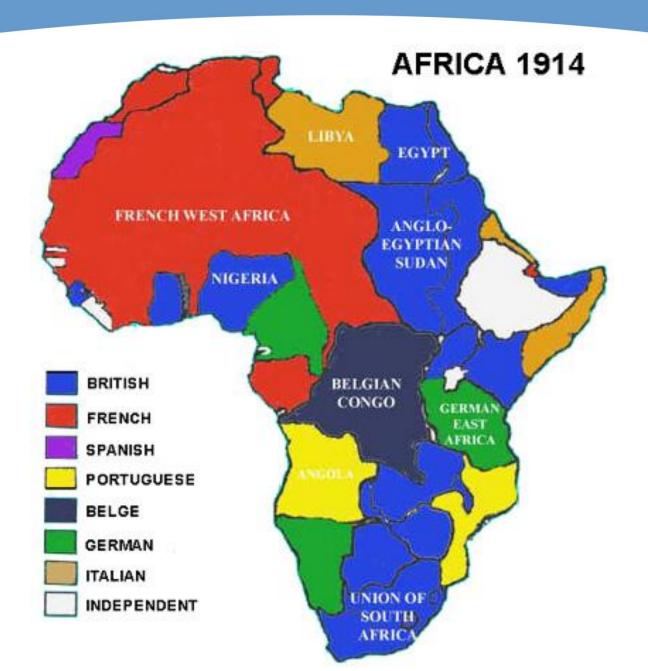


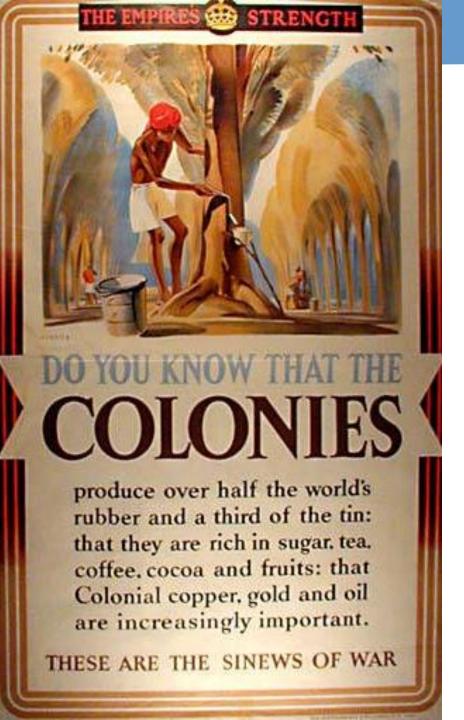




Dependency Theory

Poor countries are poor because they have been, and continue to be, exploited by the world's wealthiest countries and by the global and multinational corporations headquartered in those wealthy countries. Colonialism: a form of domination in which a foreign power uses superior military force to impose its political, economic, social, and cultural institutions on an indigenous population so it can control their resources, labor, and markets





Poster showing workers on a rubber plantation tapping latex from rubber trees. Here "colonies" refers to colonies of Britain.

Conceptualizing Inequality

Functionalists maintain that poverty exists because it contributes to overall order and stability in society and that inequality is the mechanism by which societies attract the most qualified people to the most functionally important occupations.

Conceptualizing Inequality

1. Functionalist View of Social Inequality

- a) Davis and Moore argue that social inequality—the unequal distribution of social rewards—is the device by which societies ensure that the best-qualified people fill the most functionally important occupations.
- b) Functional importance is defined by:
 - I. The degree to which the occupation is functionally unique (that is, few other people can perform the same function adequately)
 - II. The degree to which other occupations depend on the one in question

Conceptualizing Inequality

2. The Functions of Poverty

- a. Herbert Gans (1972) said that poverty performs at least 15 functions including:
 - Fill unskilled and dangerous occupations
 - ii. Provide low-cost labor for many industries
 - iii. Serve the affluent
 - iv. Sustain organizations and employees serving the poor
 - v. Purchase products that would otherwise be discarded

A Conflict View of Social Inequality

- a. Core Concept 4: Conflict theorists take issue with the premise that social inequality is the mechanism by which the most important positions in society are filled.
 - Melvin M. Tumin (1953) and Richard L. Simpson (1956) point out that some positions command large salaries and bring other valued rewards, even though their contributions to society are questionable.

A Conflict View of Social Inequality

- a. Core Concept 4: Conflict theorists take issue with the premise that social inequality is the mechanism by which the most important positions in society are filled.
 - ii. In societies characterized by a complex division of labor, it is very difficult to determine the relative functional importance of any occupation, as the accompanying specialization and interdependence make every position necessary to the overall operation.
 - iii. How much inequality in salary is necessary to ensure that qualified people choose these positions over unskilled ones?

A Symbolic Interactionist View of Social Inequality

- a. Symbolic interactionists emphasize how social inequality is communicated and enacted in everyday encounters.
 - i. When symbolic interactionists study social inequality, they seek to understand the experience of social inequality.
 - ii. How is social inequality communicated and how does that inequality shapes social interactions— interactions that involve a self-awareness of one's superior or inferior position relative to others?

A Symbolic Interactionist View of Social Inequality

- a. Symbolic interactionists emphasize how social inequality is communicated and enacted in everyday encounters.
 - iii. Social inequality is also conveyed through symbols that have come to be associated with inferior, superior, and equal statuses.
 - iv. There is a negotiation process by which the involved parties reinforce that inequality in the course of interaction or they ignore, challenge, or change it.