

1 Global Stratification

2 Global Inequality- Overview

- Terminology: High income, Middle income, and Low income countries replaces First, Second, and Third World countries.

3 Global inequality

- High-income countries: relatively rich, industrialized nations. Most of Western Europe, Canada, U.S., Japan, Australia and New Zealand.

4 Global inequality

- Middle-income countries: characterized by per capita incomes between \$2,500 and \$10,000 per year. Some industrialization included with agriculture. Former Soviet Union, Eastern Europe, oil producing nations of the Middle East and South America, Algeria and Botswana.

5 Global inequality

- Low-income countries: Primarily agrarian societies with little industry. Most people are very poor. Central America, Central and Eastern Africa and Asia.

6 Global Wealth and Poverty

- The severity of poverty: A key reason that the quality of life differs so much around the world is that economic productivity is lowest precisely those regions where the population growth is highest.

7 Global Wealth and Poverty

- Relative v. Absolute Poverty
 - Relative poverty is more conspicuous in the more developed countries
 - Absolute poverty is a serious problem in the poorest countries

8 Global Wealth and Poverty

- Poverty is more extensive in poor countries than in rich countries.
 - Children are at the highest risk in the poorer countries.
 - Women also experience severe poverty in those nations.

9 Global Wealth and Poverty

- Slavery:
 - Anti-slavery international distinguishes four types of slavery:

10 Global Wealth and Poverty

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13 **Global Wealth and Poverty**

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 - Servile forms of marriage- also included

14 **Global Wealth and Poverty**

• **Correlates of Global poverty**

- Technology is limited
- Population growth is dramatic
- Cultural patterns emphasize tradition
- Social stratification is very pronounced
- Gender inequalities are also dramatic
- Global power relationships handicap the poorest nations

15 **Global Wealth and Poverty**

- **Colonialism:** where wealth flowed from poor societies to rich nations.
- **Neocolonialism:** a newer form of global power relationship that involves not direct political control but economic exploitations by multinational corporations.

16 **Global Stratification:**

Theoretical Analysis

- **Modernization:** explains inequality in terms of technological and cultural differences among nations (Functional)
- **Dependency:** explains inequality in terms of the historical exploitation of poor societies by rich ones (Conflict)

17 **Modernization Theory**

- **Historical:** the development of industrial technology has raised the standard of

living of all in high-income societies.

- Culture: tradition is the greatest barrier to economic development.

18 Modernization Theory

- Rostow's stages of modernization:

- **Traditional stage**- socialized to venerate the past
- **Take-off stage**- people start to use their talents and imagination, sparks economic growth
- **Drive to tech maturity**- "growth" is a widely accepted concept. Pursue higher living standards
- **High mass consumption**- mass production stimulates mass consumption

19 Modernization Theory

20 Modernization Theory

- Critical evaluation:

This theory is widely supported among social scientists. It has heavily influenced to foreign policies of the high-income nations. It largely ignores the way which all nations are linked through the global economy. It holds up developed nations as the model for all to follow.

21 Dependency Theory

- Historical: economic success was achieved at the expense of poorer countries
- Colonialism: although formal colonialism has almost disappeared, neocolonialism is the essence of the capitalist world economy

22 Dependency Theory

- Wallerstein's capitalist world economy:

- Rich nations are the core of W/E, poor nations are at the periphery. The dependency of peripheral nations results:
 - Narrow, export-oriented economies
 - Lack of industrial capacity
 - Foreign debt

23 Dependency Theory

- High-income nations have contributed to global inequality by their single-minded pursuit of profit.

24 Dependency Theory

- Critical evaluation:

- Correctly emphasizes the interdependency of the world's societies
- Treats wealth as a zero-sum commodity. (no one gets richer, without someone else getting poorer)
- Predicts that countries with the strongest ties to high-income nations should be the poorest.

25 Dependency Theory

- Critical eval: con't

- Ignores the role of traditional culture in maintaining poverty

- Downplays the economic dependency fostered by the former Soviet Union
- Implications of Dependency Theory are vague