



■ EQUALITY

Yearning for social justice

Income of only eight billionaires is equal to that of 3.6 billion people

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WORLD Social Justice Day is annually observed on February 20.

The theme for this year is "Closing the Inequalities Gap to Achieve Social Justice", because according to the UN, one in five workers still live in moderate or extreme poverty, many workers face stagnant wages, gender inequality prevails and people do not benefit equally from economic growth.

The UN further states that inequalities are weakening social cohesion, making it almost impossible for people to achieve their full potential.

The time has come to reduce inequalities globally, especially in Africa where four of the world's five most unequal countries can be found.

This remains a serious threat to future stability. Although the focus of this article is not on unemployment and its accompanying uncertainties as such, it must undoubtedly be taken into account in one's thinking about inequality. In the light of this, I would like to refer to the International Labour Organisation's (ILO) claim that employment growth since 2008 has averaged only 0.1% annually, compared to 0.9% between 2000 and 2007.

More than 60% of all workers lack any kind of employment contract and less than 45% of wage and salaried workers are permanently employed.

Even that share is declining. There were over 212 million people out of work by 2019, up from the 201 million in previous years. By 2030, 600 million new jobs will have to be created, just to keep pace with the growth of the working age population.

According to the Multidimensional

Poverty Index of the UN's Development Programme, about 1.5 billion people – a third of the population of the 91 countries covered by the index – live in multidimensional poverty and another 800 million people are highly vulnerable to it. Over 80% of the world's population lack comprehensive social protection.

But the situation is not all doom and gloom. According to The Millennium Project (TMP), a global participatory think tank, extreme poverty fell from 51% in 1981 to 13% in 2012 and less than 10% today.

TMP also points to statistics from

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the World Bank which show that the share of people in the world living on less than \$1.9 (R28) a day fell from about 44% (1.99 billion people) in 1981 to 35% (1.85 billion people) in 1990, 12.4% (some 891 million people) in 2012, and to 10.7% (767 million people) in 2013.

The UN Sustainable Development goal is to eliminate it by 2030.

The ILO also reports that the number of working poor has also declined globally. From the early 2000's to

2015, the number of workers living below \$1.9/day declined from 33.2% to 12.0%, while the number of the workers living below \$3.1/day declined from 57.3% to 27.9% over the same period.

The ILO further estimates that the rate of workers living in extreme poverty will continue to decrease.

Having said that, it is of paramount importance to note that according to TMP the concentration of wealth is increasing to such an extent that the income of only eight billionaires is equal to that of 3.6 billion people, the poorer half of humanity.

They further note that income gaps are widening, employment-less economic growth continues, return on investment in capital and technology is usually better than on labour, and future technologies can replace much of human labour.

Hence, long-term structural unemployment seems inevitable unless new approaches to economics and the nature of work are created.

While the gap between rich and poor individuals is widening, the gap between nations is expected to narrow. According to TMP, emerging market and developing economies are growing by 4-5% annually, while the advanced countries are growing closer to 2%. While population growth is about 1.1%, global income per capita is growing by more or less 2.4% annually.

TMP suggests some actions to address the global challenge on how ethical market economies can be encouraged to reduce the gap between rich and poor. These include, among others, raising minimum wages and addressing executive wages; counter-

ing entrenched privilege; considering seriously new progressively equalising instruments like wealth tax; taxing next technologies for new income to social support systems; creating tax systems that ensure big business and wealthy individuals pay their fair share; exploring global workforce sourcing solutions that overcome immigration and migration barriers to allow qualified workers to move where they can meet the vacant skilled labour requirements; expanding micro-credit and small business credit systems and business training; and positively exploiting the global middle class which by 2030 is to grow by 66%.

The UN General Assembly recognises, among other things, that globalisation and interdependence are opening up new opportunities through trade, investment and capital flows and technological advances, for the growth of the world economy and the development and improvement of living standards.

At the same time, serious challenges remain, including severe financial crises, insecurity, poverty, exclusion and inequality within and between societies. There are also considerable obstacles for developing countries to further integration and full participation in the global economy, as well as for some countries with economies in transition.

If we can successfully address these and other related challenges, we'll be moving a step closer to making equality and social justice a reality for the millions who still yearn for it.

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