

“Dilemma of Chasing Growth Trajectories and Seeking Dignity for the Excluded Bottom: A Global South Perspective”

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Abstract

The Paper aims to dwell on the paradoxical state of affairs of economic growth trajectories and existing stark inequalities and how we as democracies failed to secure Fundamental needs of our very own people. It attempts to discuss the interplay that 1% of population plays, and as to how it generates income inequality. To develop a broader perspective, Global parameters such as Gini-coefficient, along with reports of World Bank and United Nations will be invoked. The paper objective is to raise concern that why inequality matters and how it is a major ethical and moral concern. Finally, the paper seeks to unveil the reasons for persisting inequalities, in order to develop grievance addressal mechanism by reforming structures, institutions, representation of their interests and most important empowering "The Excluded Bottom" to be able to write their own destiny. The article also paves way for further research to narrow down the gaps between global economic disparities in compared to 1st world countries.

Key Words: Global Economy, Institutions, International Governance, Human Rights, Reforms.

I. Introduction: Inequalities and World

“The difference between rich and poor is becoming more extreme, and as income inequality widens the wealth gaps in major nations, education, health and social mobility are all threatened.”

- Helena D. Gayle

"Leaving no one behind" stands as an inevitable instrumental agenda of sustainable development Goal 2030. But, the question arises as to how one can realize their meanings until we have an idea about living condition of billion people are living out there. We call our world a global

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village that is closely integrated through various channels of communication, representation more than ever but unfortunately; our privileges are still to a larger extent determined by the country, region, race or ethnicity we are born to. Even after 75 years of World War II, we still live in a society where our access to opportunity depends on our fortune where we are born to. A child born in Sweden has a life expectancy at birth of 79.7 years while one born in Sierra Leone has a life expectancy at birth of 38.9 yearsⁱ. Some regions of the globe continue to remain the core areas of poverty, hunger and malnutrition along with significant growth. Countries like The Central African Republic (including middle-east countries) have the most alarming situation as per GHI Score of 2019 whereas 1st world nationals are stockpiling their resources much beyond requirement. But how's that possible with the concept of inclusive growth? Is the inequality group oriented or to some specific classes? Or it's a mad race where might is right? Then why do we have government for?

Going by statistics, of the world's 736 million extreme poor in 2015, 368 million- half a population of total resided in these 5 countries namely; Democratic republic of Congo, India, Bangladesh, Nigeria, and Ethiopia which happen to be the most populous countries in the region of South Asia and Sub-Saharan Africa, and whereas these two regions accounts for 85% (629 million) of the world's poorⁱⁱ. And with Covid 19 pandemic in place it is estimated that an additional 88 million will be pushed into extreme povertyⁱⁱⁱ. Yes, the numbers are scary so is the plight of people.

i. Inequalities Around

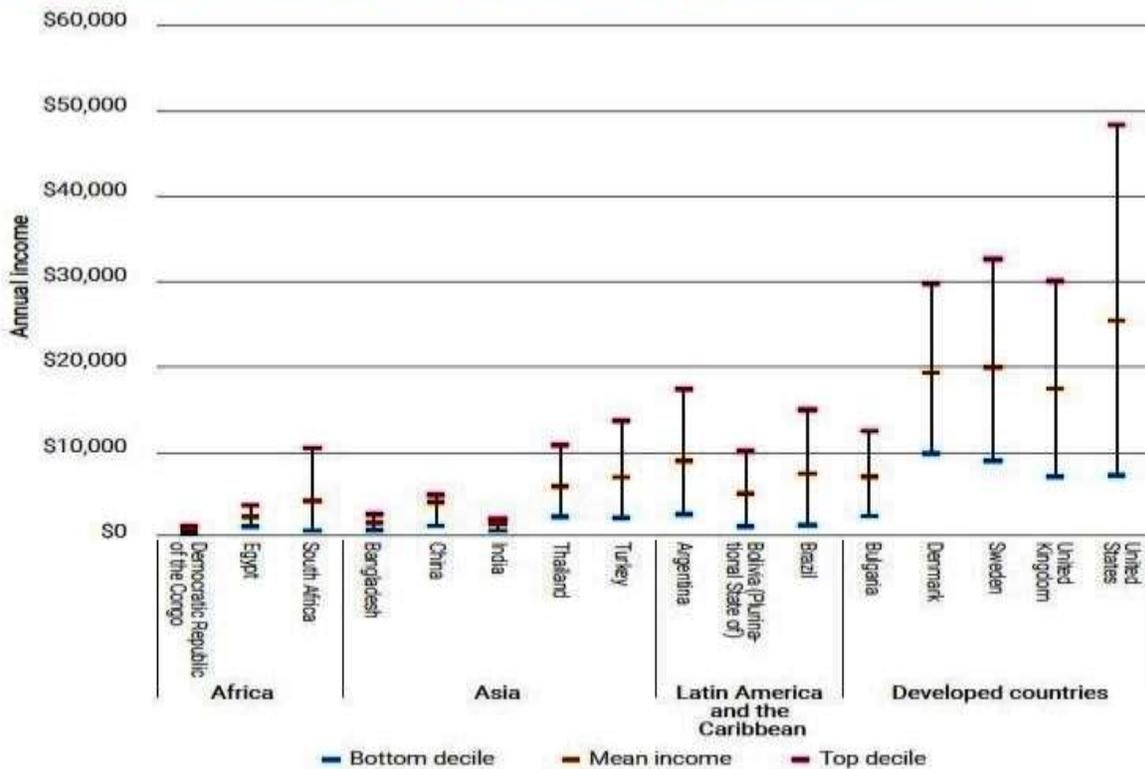
To develop basic understanding of inequalities being faced by "The Excluded Bottom" we are mainly relying on two major trends i.e. **Economic and Social inequalities** pertaining to education, health, sanitation, maternal and child mortality based upon social identities. Several reports suggest that despite various economic and liberal reforms pursued by various countries, income inequalities dominate and still one of the key reasons for the disparities.

- **Economic inequalities** - Economic inequalities continues to be the determining factor of one's wellbeing. In relative terms, income inequality is declining. The Gini coefficient of international inequality, calculated using population - weighted national per capita fell from close to 63 in 1980 to 53 in 2010. Strong economic growth in Asia including China and India are main drivers of this decline. But despite this positive trend, the average income disparities among countries are still very large.

Not all but most of the countries have adopted democracy as their form of government and close

observation tells us that reduction of poverty has never been the major objective of this govt.; though their vote share comes from bottom. Globally, if we compare the average income of people living in the European Union is 11 times higher than that of people in sub-Saharan Africans^{iv}. However, the common perception that society in Global North is more equal than Global South should be critically examined. Recent trends shows inequalities in these societies are as well on rise.

FIGURE 1.1
Mean incomes, top and bottom income deciles of selected countries in 2015



Source: World Bank PovcalNet database, unpublished tabulations (based on data from household surveys).

Note: The top and bottom of each bar represent the (annual) income level that separates the richest 10 per cent and the poorest 10 per cent from the rest of the population of each country, respectively; the marker in between represents each country's annual mean income, estimated on the basis of household survey data. All estimates are adjusted for purchasing power parity (PPP). The estimates should be interpreted with caution for two reasons. First, household surveys underreport top incomes. Second, for the African and Asian countries shown, the estimates are based on consumption rather than income data. See Annex 1 for an overview of inequality data and indicators. The countries chosen are only meant to provide an illustrative example of disparities within and across countries. All estimates are for 2015 or later except those of the Democratic Republic of the Congo (2012) and India (2011).

Fig 1.1 clearly shows considerable disparities among people at the bottom and at the top of the income distribution specially in countries of Brazil, Bulgaria, Argentina, India, Congo; which brings us to the 1% takes it all phenomenon where some elite or creamy layer section have control over major resources and assets of the country.

- **Social inequalities** - This type of inequality examines the inequality of opportunity based on our

fortunes which are often subjected to the groups, caste ,race , ethnicity or religion we are born to ,and are beyond an individual control. The studies have shown members belonging to a specific group or any primordial identity is more likely to experience inequality and discrimination than the rest. In our case these can be members from the SC/ ST community. Though policies have been made to revive their situation, their representation hasn't been satisfactory and failed to reach the needy people and often misused. Not only they experience poverty but are also subjected to brutality and violence in societies which deepen their exclusion. Access to good quality, education can help in creating multiple opportunities and paths which one chooses to fulfill his/ her dreams ,which are definitely more than basic clothing, food and shelter. So, are the bridging gaps of proper healthcare, sanitation and other opportunities etc.



Democratic Republic Of Congo - Copyright:©MONUSCO/ Sylvian Liechti

Also we have witnessed a notable feature of inequality i.e. declining income inequalities, doesn't always results in improved opportunities or outcomes for all disadvantaged individuals and groups. It can be different within and across groups. For instance, South Africa has seen the Gini coefficient of inequality increase rapidly though since the end of apartheid racial inequality has declined. In contrast, in Mexico despite the declining income inequality at the national level from the mid- 1990s to 2010, income growth has been slower for indigenous than non- indigenous population. Congo is situated in the African Continent and is one the most populous country in the region, which is estimated to be around 101 million people and 5th most populous country in the world. About half of the million people lives below poverty and faces lack of adequate health and educational services; plagued with epidemics such as Malaria and Ebola and stands 2nd highest in malaria cases worldwide.

Though the region is naturally rich in minerals and but remains underutilized. There are large reserves of natural resources including 1100 minerals. Despite 80 million hectares of arable land,

the areas under cultivation are only 10 million. The major problem includes conflict and violence which might have officially ended in 2003, but the Eastern region of DRC, remains plagued with violence, among armed groups ,land disputes, sexual violence and inter community conflicts contributing to humanitarian crisis.

FIGURE 1.4
Recent trends in the proportion of stunted children by socioeconomic status and ethnic group,^a 1990s to 2010s^b



FIGURE 1.5
Recent trends in secondary school attendance by socioeconomic status and ethnic group,^a 2000s to 2010s^b

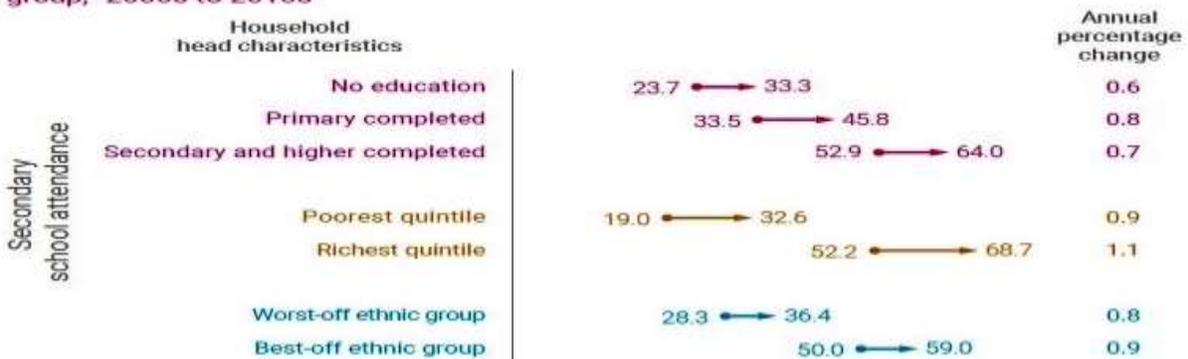
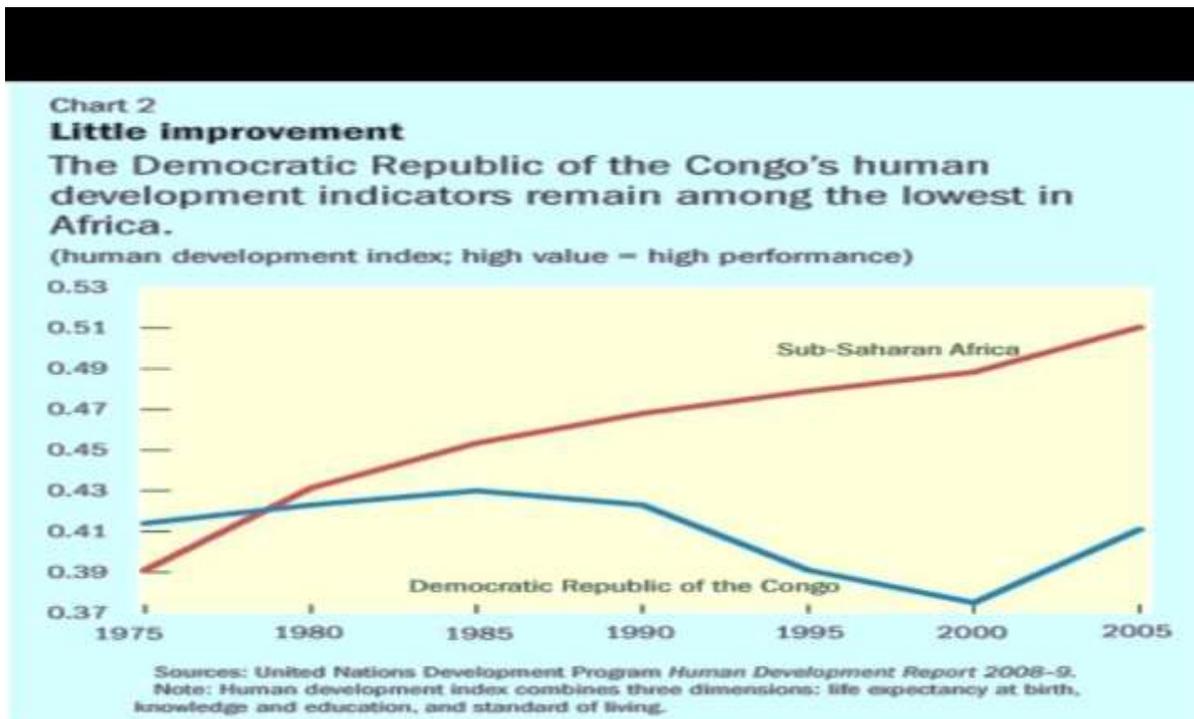


Fig 1.4 and fig. 1.5 shows child stunting based on household wealth and educational level and ethnicity have declined and gaps in primary education has too declined. But it will take 4 more decades to close the stunting gap related to ethnicity and more years to reduce the gap in secondary education.



II. Factors Responsible for Inequality in Global South

Most of the countries situated in the Global South are faced with similar issues, the reason being having similar Historical, Geographical Demographic conditions. Taking into account countries such as Bangladesh, Myanmar Sri-Lanka India and Sub-Saharan African Nations Nigeria, Congo Uganda Ethiopia where India and china being exceptions which has seen commendable growth

in the last few years and been successful in pulling out majority of its population from Poverty though deep disparities exist alongside. Countries mentioned above have a colonial history, are highly populous nations and have diverse ethnicity culture traditions and are heterogeneous. As I have already mentioned together these nations comprise more than half of the world's poor. Some factors which are responsible for existing disparities are noted below:-

- **Colonialism and Discriminating Global Order** – Whether we accept it or not colonialism can be considered – an era of darkness where powerful nations exploited not only economically but in every aspect, they did left our nation but after destroying our foundation; Frantz Fanon work “Black Skin White Mask” is a must read where he talks about the idea of double consciousness and how it left deep impressions over our minds. We might have gained independence but the colonial mindset is still there. Till today copying Western culture has been a hallmark of

modernity. With Globalization boundaries are permeable more than ever leading to declining sovereignty of the state, making mockery of national independence. International org. such as UN and their role in maintaining peace and security is disputable. It would be a joke to say that US attack on Iraq in 2003 was justified as Iraq had weapon of mass destruction and to free Iraqi people from Saddam Hussain dictatorship. Today Middle East is the most volatile zone full of terror, violence, millions of citizens lost their homes, migrating across borders causing widespread loss of lives, poverty, hunger, with women and children being the most affected. Same applies to the working of World Bank, IMF and their harsh Structural Adjustment Programmes imposed to developing nations in return for providing loans. Unfortunately, we as developing nations need money to grow, thus in name of foreign exchange trade investment we are left with no option but to cultivate relationships.

- **Lack of Efficient Infrastructure of Education and Health Care:** - Beginning with World's largest democracy India; where we have Public Education along with Private schools. One is state funded government schools which are nothing but are waste of money in name education, plagued with unskilled teachers where poor people send their children. Another is private schools which do provide better education but are expensive and exclusive to salaried class people. And same applies to hospitals which are private and public in nature. The issue doesn't come from the ownership; the issue is from quality of services they tend to provide. Apart from the Cognitive, Evaluative and Affective aspects of education it forms the very foundation of human being and hampers growth leading to social exclusion as well. Poor Education and Healthcare, widening gaps in nutrition, stunting, child and maternal mortality rates, lack of power supply, clean drinking water are areas of concern for us. These infrastructure should be based on the model of 3 cardinal principles i.e. Access, Equity, Quality to make the growth inclusive.
- **Conflict and Violence:** - Since most of these nations are rich in culture, ethnicity and are heterogeneous in nature. Variety communities' stays together and many a times complex situations arose where community tried to dominate the other leading to conflict and violence; finally taking the shape of civil war. Sri-Lanka is the biggest example of such incidents. The conflict between Tamils and Sinhalese went for almost 30 years causing widespread loss of lives and discontent among masses. Same has been the situation in Congo where conflicts between Hema and Lendu communities is very much prevalent. Recently, we saw the contentious issue of ethnic cleansing of Rohingyas community in Myanmar severely criticized by international community. Feeling of mistrust and discontent among the citizens, leaves nation divided on variety of issues; thus creating disharmony and disunity among the masses.
- **Political Corruption And Instability:** - For a country to succeed and become independent in true sense the political wheel of a nation is instrumental. From domestic to foreign affairs of

nation are managed and controlled by the political executives. At the same time some important Checks and Balance mechanism is necessary to prevent the government from becoming authoritative and corrupt. Since citizens here suffer from Poverty Illiteracy so people's participation in political affairs is low. Constructive criticism takes a backseat in such countries. Also due to concentration of power at single level of executive offers more and more red-tapism and corruption. Using Public offices for personal gains is common phenomenon. In India during UPA Regime when Congress government was in power which also happens to be the oldest party has been accused of various scams including 2G, Bofors, Augusta Westland Helicopter, Scorpine Submarine, Commonwealth Games, Coal Scams etc. Similar accusations have been implicated on present Modi government for Rafale.

After gaining independence most of the Third World Countries adopted democracy as a form of government but the success rate has been marginal. Not all of them were able to transform into a full- fledged democracy. Nigeria got independence in 1960 and has undergone major pitfalls of constitutional machinery. In 1963 military coup overthrew democratic institution and new const. came into force in 1979. Military resumes power till 1999 which restored democracy and remains in force till today. Same goes with Myanmar which saw series of constitution. After gaining independence, it adopted the constitution in 1947 and then after in 1962, under Burmese coup'd'état, the country has been ruled by military for most of its history until 2008 which created a roadmap for democracy. Thus it is not to say that Democracy is the only form of government we have. Whatever may be the means the objective is growth and development of nation.

III. The Challenge of Measuring Inequality

“Leaving no one behind” is a core principle of 2030 Agenda. By endorsing the declaration, all countries pledged that ‘no one will be left behind’. Recognising that the dignity of the human person is fundamental, we wish to see the goals and targets met for all nations and for all segments of society. And we will endeavor to reach the furthest behind first^{vi}. The pledge implies that non-income based inequalities should be tackled- particularly for those groups facing multiple discriminations; and the government should prioritise their progress. Agenda 2030 particularly highlights “*children, youth, persons with disabilities, people living with HIV, older persons, indigenous peoples, refugees, internally displaced peoples, and migrants*”.

The Agenda of leaving no one behind sounds very ambitious and inclusive; though for the time being countries may be rich or poor uses Poverty lines to set targets and measure progress towards their goals. Some traditional measure includes Absolute Poverty lines defined by the World Bank The Bank defines Poverty as living on less than \$3.10 a day widely used by the

developing countries. As the income rises, countries opt for Relative Poverty lines defined in relation to the overall distribution of income in a country. As per report of UNDP, in prosperous societies, poverty is generally assessed vis-à-vis the standard of living of society as a whole, whereby people are considered poor relative to the wealth of others and if they cannot participate in that society due to lack of resources. As a third option being available is Subjective Poverty line in this very context, which is set on the basis of what people perceive as the minimum income that a person, or household needs in a specific society to not to be considered poor.^{vii}

In order to develop a comprehensive data to measure who is being left behind, we require data from a variety of sources that are different in scope and purpose. Data in form of national population census or surveys are fairly comparable across countries. But unfortunately, none of them allows for a comprehensive international assessment of disadvantage of social exclusion. Ideally, empirical analysis should determine which individual characteristics or combinations of characteristics increase the risk of disadvantage. Most of the traditional criterion such as age, sex, income, nationality, ethnic background overlooks new forms of inequality. One more hurdle that comes in is that there are certain groups that are statistically invisible. For instance household surveys omit homeless people as those in prisons, refugee camps, mobile and nomadic communities. In practice they also tend to underrepresent populations in urban areas. While population census do not omit any of these groups by design, they often under-enumerate them, the definitions used to classify them vary across the country depending on their cultural or social diversity. Thus, the effect of social exclusion on a person's dignity and their agency are difficult to measure, but can undermine one sense of wellbeing and violates their human rights as well^{viii}. People from these communities often lose hopes and dreams that we all want to chase which are definitely more than the fundamentals that major institutions claim to provide. The question thus stands what to measure and How to measure as non-materialistic deprivations are difficult to determine.

One can remain poor due to low income, unemployment, hunger but if there's someone who gets paid for carrying human faeces on his head he/she remains equally poor as the job doesn't give him dignity. In a normative sense, Poverty gives us an idea of something which should be avoided or due to lack of something. Leading a dignified life is something that we all aspire for; thus varies from people to people depending on their background and different values attached to them.

IV. Way Ahead

After acclimatizing to the world of inequalities that we have fashioned; most crucial take away is that despite being well aware of the on ground scenario, we never purposely endeavored to

change the status quo as to dare for an Egalitarian world might cost our own privileges. Everyone being highly acquainted with the inequalities that exists among nations and societies; where some sympathize with their miseries, few do their bit and one or two stand for them. Today there is utmost need to understand that inequality is an ethical and moral concern and must be noted seriously. Here I believe, Pareto rightly said '*The history of mankind is nothing but graveyard of aristocracy*'.

Inferring from discussion above, Global Inequality operates at two definite levels; one at the global level where developed nations (especially 1st world nations) dominate the developing countries (the 2nd and 3rd world nations) and other at the state level where we witness elite-mass culture at it's best mainly in developing world at the expense of extensive exploitation of 'The Excluded Bottom'. The Root cause of their suffering is their abysmal social starting positions, which leaves "near to no" scope for them as to becoming anything but poor. No matter how hard they try their chances of upward mobility in the social strata might take generations. In context of global justice this unfair social starting positions can be colonialism which global south faced extensively. It is often estimated that if Africa had not been colonized it could have been equally prosperous as Europe. But the sad part does not end here; the exploitation is still on and going strong. Working of International organisations such as United Nations, International Monetary Fund, and World Trade Organisation is disputable as they are mere puppets of few first world powers that interfere in internal matters of other territories in name of propagation of democracy and human rights protection. They try to dominate them by crating debt like scenario through major loans and investment. We need to understand that these proxy practices by Affluent Countries whether deliberately or not, are imposing a Global Order which is unfair, unjust and unequal. Thomas Pogge's idea of Global Resources Dividend which presents an alternative to tackle the idea of poverty where nations would pay a dividend tax on any resources they use or sell i.e. tax on consumption which is motivated by the positive duty to help persons in acute stress, but also on negative responsibility not to profit from unjust impoverishment. He estimates that a dividend of just 1% could raise \$300 billion each year. The funds garnered would be spent by an international org. But the issue here is whether the organization will perform it's duties impartially in allocating funds and might be detrimental for underdeveloped economy. Though his work has received appreciation for a unique methodology he provided.

Looking forward, obviously there's no single answer to end these inequalities, definitely we need some serious institutional reforms across and within nations followed step by step to bring down its percentage. The Veto Powers comprising of some handful nations deciding for more than 200+ nations is highly unfair. One Nation One vote principle needs to be implicated to have an inclusive model bringing more perspective in place. New and Old Global Institutions (UN,

WTO, etc.) which are led by officials who are loyal to humanity and its shared value and principles, rather than to few powers or their home countries. Within the nations; we should aim at educating the people and creating awareness to know the importance of Global peace and order to avoid ongoing conflicts and move towards the path of prosperity of respective countries by employment generation, development of science and tech. Being a global issue one group or org. cannot do much. The most important prerequisite is willingness for the cause to transform the societies or in other words, a New Global Order based on ensuring equal level playing field, and representing the interests of the Excluded Bottom. To develop/suggest ideas to resolve these Global inequalities is a tricky and responsible thing to do. One has to be well-versed with existing inequalities across boundaries. Though, the major idea that lies beneath is to empower people to make them stand on their own and master their journey.

V. Conclusion

The difference between global north and global south has been a result of historical events of dominance of one over the other. For example, the “British Commonwealth Countries” are generally categorised within 2nd and 3rd world countries. Since these countries were ruled by other countries for long time, their resources and manpower were exploited to a limit. When these countries got independent, many of them struggled to establish their internal affairs. This led them to rely upon the 1st world countries and international organisations which are also dominated by few global powers. Slowly, such burden of dependence created a great gap between the countries leading to the creation of global north and south based on economic disparities. To deal with such disparities, countries will have to,

- i. Become Self-Reliant.*
- ii. Explore Local Resource.*
- iii. Stop Brain Drain.*
- iv. Improve / Increase Foreign Direct Investment through flexible policies.*
- v. Create a Safe Environment for Workforce.*
- vi. Become Economically Stable, etc.*

Such action will slowly and gradually help the countries of global south to “Go Vocal for Local” that has been recently given by the government in India alongside the “Make in India” policy. Furthermore, this research also paves a way to explore the dynamics of Global South countries and research upon the policies that can be brought upon to make them self-sufficient and economically stable. This can also help in improving the living conditions of people and establish a proper system of good governance within the Nation-State.

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