

# Staggering Inequality

by Robert Weissman

**T**HE WORLD IS WRACKED by enormous inequalities in wealth, income and resources. That is the fundamental conclusion of the 1998 Human Development Report, an annual report issued by the United Nations Development Program.

The world's 225 richest people have a combined wealth of more than \$1 trillion, equal to the annual income of the poorest 47 percent of the world's people (2.5 billion persons), according to the report.

The three richest people have assets that exceed the combined gross domestic product (GDP) of the 48 least developed countries. The 15 richest have assets that exceed the entire GDP of sub-Saharan Africa. And the wealth of the 32 richest exceeds the total GDP of South Asia.

The Human Development Report regularly introduces new and innovative ways to think about wealth disparities and the meaning of "development." This year's report highlights inequalities in consumption.

In terms of overall consumption, the report finds, the richest 20 percent consume 16 times more than the poorest 20 quintile. "Globally, the 20 percent of the world's people in the highest-income countries account for 86 percent of total private consumption expenditures — the poorest 20 percent a miniscule 1.3 percent," the report states.

The report also highlights disparities in consumption of particular goods:

- The richest 20 percent use 17 times as much energy as the bottom 20 percent.
- The richest 20 percent of the world's population consume 11 times as much meat as the bottom 20 percent. The richest fifth eat seven times as much fish as the poorest fifth

of the world's population. The richest 20 percent consume more than 45 percent of all meat and fish — the poorest fifth a mere 5 percent.

- With 74 percent of all telephone lines, the top 20 percent have 49 times as many telephone lines as the bottom 20 percent.

- The top fifth use 84 percent of all paper, 77 times as much as the bottom fifth.

- The richest 20 percent own 145 times more cars than the poorest fifth.

The flagship measure of the Human Development Reports is the "human development

## Inequalities in Consumption

### Meat Consumption, 1995

Top 5 Countries	Kilograms per capita a year
USA	119
New Zealand	119
Cyprus	108
Australia	107
Austria	105
Bottom 5 Countries	Kilograms per capita a year
Bangladesh	3
Guinea	4
Malawi	4
Burundi	4
India	4

SOURCE: HUMAN DEVELOPMENT REPORT, 1998

## The World's Priorities? (annual expenditure)

Basic Education for All*	\$6 billion
Cosmetics in the United States	\$8 billion
Water and Sanitation for All*	\$9 billion
Ice Cream in Europe	\$11 billion
Reproductive Health for All Women*	\$12 billion
Perfumes in Europe and the United States	\$12 billion
Basic Health and Nutrition*	\$13 billion
Pet Foods in Europe and the United States	\$17 billion
Business Entertainment in Japan	\$35 billion
Cigarettes in Europe	\$50 billion
Alcoholic Drinks in Europe	\$105 billion
Military Spending in the World	\$780 billion

\* Estimated additional annual cost to achieve universal access to basic social services in all developing countries.

SOURCE: HUMAN DEVELOPMENT REPORT, 1998

## Inequalities in Consumption

### Telephone Services, 1995

Top 5 Countries	Lines per 1,000 People
Sweden	681
USA	626
Denmark	613
Switzerland	613
Canada	590
Bottom 5 Countries	Lines per 1,000 People
Cambodia	1
Dem. Rep. of the Congo	1
Chad	1
Afghanistan	1
Niger	2

SOURCE: HUMAN DEVELOPMENT REPORT, 1998

index," a measure based on life expectancy at birth, educational attainment (based on adult literacy and school enrollment levels) and real per capita GDP (with the value of GDP above the world median treated as less valuable).

At the top of this year's list is Canada, with a 79.1 life expectancy, a 99 percent adult literacy rate and US\$21,916 real per capita GDP. At the bottom of the list is Sierra Leone, with a life expectancy at birth of 34.7 years, an adult literacy rate of 31.4 percent and a per capita GDP of US\$625.

The other countries atop the list are, in descending order: France, Norway, the United States, Iceland, Finland, the Netherlands, Japan, New Zealand and Sweden.

The rest of the 10 worst performers, from worst to better, are: Niger, Burkina Faso, Mali, Burundi, Ethiopia, Eritrea, Guinea, Mozambique and Gambia. ■

## The Spread of Advertising to the Developing World Top 10 Countries in Advertising Expenditure as Share of GDP

1986			1996		
Country	Advertising as a Percentage of GDP	Total Advert. Expenditure (US\$ billions)	Country	Advertising as a Percentage of GDP	Total Advertising Expenditure (US\$ billions)
USA	1.6	94.6	Colombia	2.6	1.4
Australia	1.4	4.3	United Kingdom	1.4	16.6
United Kingdom	1.4	13.0	New Zealand	1.4	1.0
New Zealand	1.1	0.7	Hong Kong, China	1.4	2.2
Hong Kong, China	1.1	1.1	South Korea	1.4	6.7
Switzerland	1.0	2.7	Venezuela	1.4	1.0
Colombia	1.0	0.5	USA	1.3	101.2
Spain	1.0	4.2	Taiwan	1.2	3.4
Venezuela	1.0	0.6	Brazil	1.2	8.2
Finland	0.9	1.0	Australia	1.2	14.7

SOURCE: HUMAN DEVELOPMENT REPORT, 1998