I. Inequality

A. Inequality

1. Wealth

a. top 1% over half of world’s wealth

b. bottom 50% have less than 1 % (0.71%)

c. richest 85 = bottom 3.5 billion

2. Income

a. top 1% +60% in last two decades

b. top 10% take 50% of income

c. bottom 67%(2/3) take 13%

d. bottom 40% take 5%

e. income gains

i. emerging “middle class” in China, India and Brazil

ii. 200 million (2.8% of global population)

f. World Bank: Income Inequality

3. Countries

a. 80% of world’s pop live in countries where inequality is increasing

b. total debt of developing world: $2.7 trillion

c. World Band: inequality rich vs poor

4. Consumption

a. wealthiest 20% consumes 76.6% world’s goods

b. poorest 20% consumes 1.5%

B. Poverty:

1. Poverty line: $1.25/1.4 billion

2. poverty line: $2/3.2 billion

3. 22,000 children die each day from poverty

4. 2008: global decline in poverty (China)

C. Hunger

1. # 1 billion

2. Food insecure: 1/3

3. malnutrition deaths annually: 9 million

4. India: increasing middle class not translated into cutting mal-nutrition

D. Disease

1. Malaria: 1million deaths a year

2. AIDs : Africa and Asia 40 million

E. Water and Sanitation

1. 1 billion lack access to clean water

2. 2.6 billion lack access to sanitation

3. Given day: one half of world population suffering from water related illness.

4. 1.4 million children die each year from lack of clean water and sanitation.

f. Life Chances

1. Infant mortality

2. Life expectancy

a. declining in poorest countries

b. 50 years of age

3. Women and childbirth

F. Environment

1. increasing pollution

a. water

b. air

2. desertification

3. deforestation

G. Labor

1. informal labor

2. “new slavery”: debt servitude

3. “old slavery”

4. child soldiers

H. Megacities

1. largest demographic movement

a. 3 million per week

b. over half of world’s population

2. planet of slums: 1 billion

I. Conflict

1. India

2. Congo

3. Brazil

J. causes (according to rich countries)

1. countries are resource poor

2. regressive cultures.

3. corruption

4. ignorance

K. G20

1. inequality is serious problem

2. solution: neo-liberal policies and practices.

L. contradictions

1. resource rich, people poor (Mexico, India, Indonesia, Brazil, Nigeria, Congo,

Equatorial Guinea)

2. hunger

a. 2700 calories a day

b. 80% of countries with hungry children

c. 36 out of 40 countries

3. debt: loans and aid

a. Aid FW $100 billion/ debt repayment $200 billion

b. US Aid

i. $16 billion (1/2 military)

ii. who to?

4. corporate dumping: Summers memo

5. disasters: “wonderful opportunity”

a. war: Iraq

b. Milton Friedman: Chile, New Orleans

c. Rice: typhoon: Sri Lanka, Indonesia

d. Haiti

M. solutions (another look)

1. IMF and “developmental loans”

1. elite

b. military

c. infrastructure (dams, highways, bridges, ports,

harbors)

2. “structural adjustment plans”

a. privatize national industries and rewrite investment laws

b. cut public sector jobs

c. cheap resources to MNCs

i. rain forests

ii. minerals

d. open markets to MNCs

i. no tariffs

ii. no price supports

e. privatize government services

i. water

ii. transportation

iii. fire, police

iv. education: users fees

v. health care: users fees

f. agriculture

i. no subsidies

ii. export (cash) crops

g. “race to the bottom”

i. no unions or labor organizers: Colombia

ii. no occupational safety and health regulations

iii. no environmental laws

iv. low wages: below subsistence

v. “export processing zones”

4. WTO and NAFTA Tribunals

a. decisions regarding trade disputes

b. accept penalties

N. NAFTA: Chapter 11

1. Foreign corporations (or a single shareholder) can

sue governments

2. Not in court, but a secret tribunal

a. closed to public and elected representatives

b. no limit on amount

c. claims for $13 billion have been filed

i. environmental regulations

ii. health and safety regulations

iii. worker safety

3. decision is binding

a. professional arbiters

b. No appeal

4. Examples:

a. MTBE and Methanex

b. Ethyl Corp sued Canada MMT, nerve toxin

O. Political/Popular Resistance: Battle in Seattle

1. elect leaders who reject

a. international agreements

b. loans from international institutions

2. popular rejection of treaties

3. nationalization of resources: eviction of U.S. corporations

a. Bolivia

b. Ecuador

c. Venezuela

4. eviction of U.S. military bases: Ecuador

5. examples of popular resistance

a. Brazil: Landless People’s Movement

i. colonialism and land

ii. Constitutions

iii. occupy and cultivate

b. Argentina: “People’s Movement”

i. Argentina and IMF

ii. elite and MNC

iii. workers takeover factories

iv. industrial democrracy

P. Legal Resistance

1. Lawsuits against MNCs

2. Alien Torts Claims Act