

# WEALTH DISPARITY

## *AN EMERGING GLOBAL ISSUE*

ESTIFER BALDERA  
NAOMI DI COCCO  
FERNANDO SIERRA  
CARLOS PIOLA

1. FAIRNESS AND DISPARITY IN WEALTH DISTRIBUTION

2. LEADING ROLES AND RESOLUTION

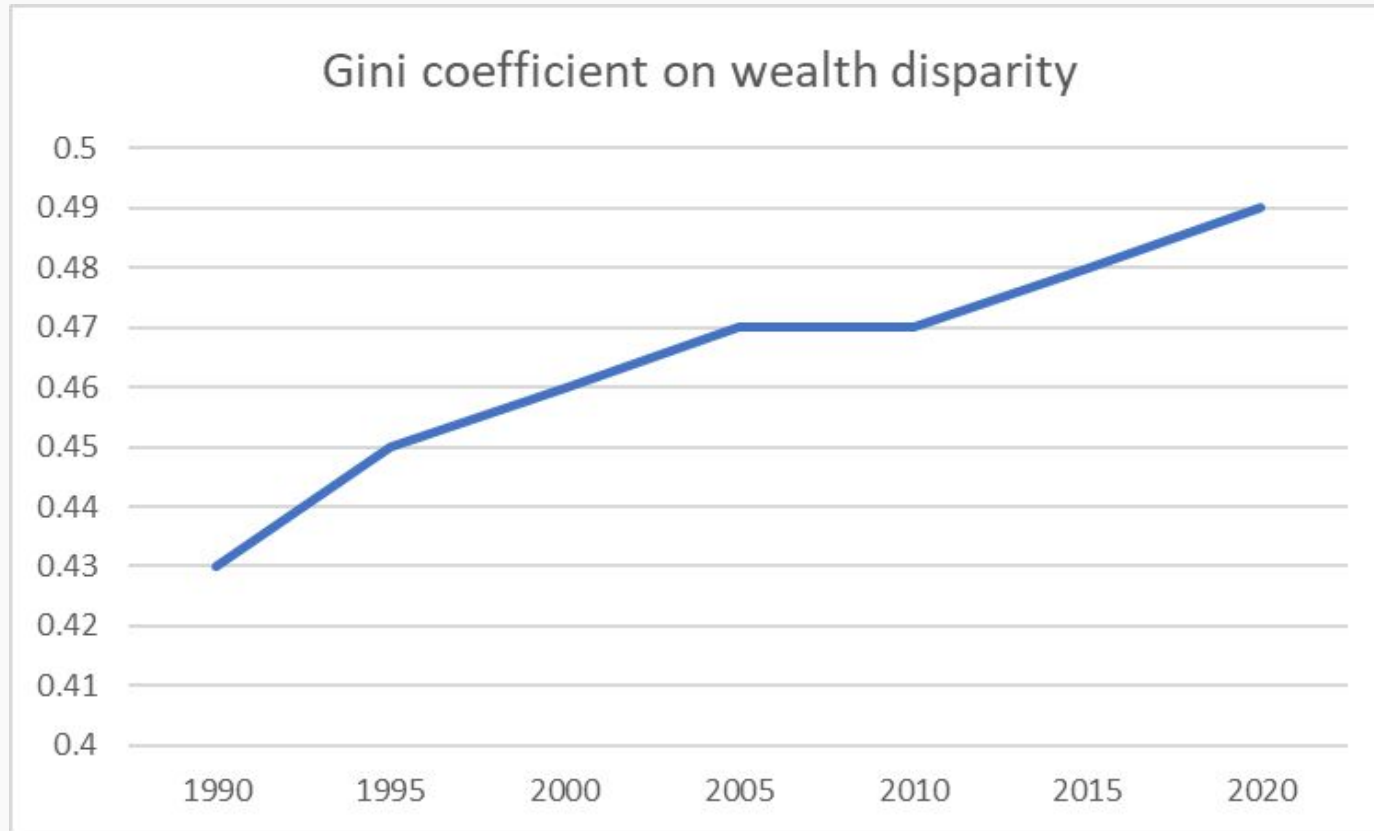
3. CORPORATE LEADERSHIP

4. CORPORATE AND CIVIL IMPACT

A  
G  
E  
N  
D  
A

# US INCOME INEQUALITY

## GINI COEFFICIENT IN US



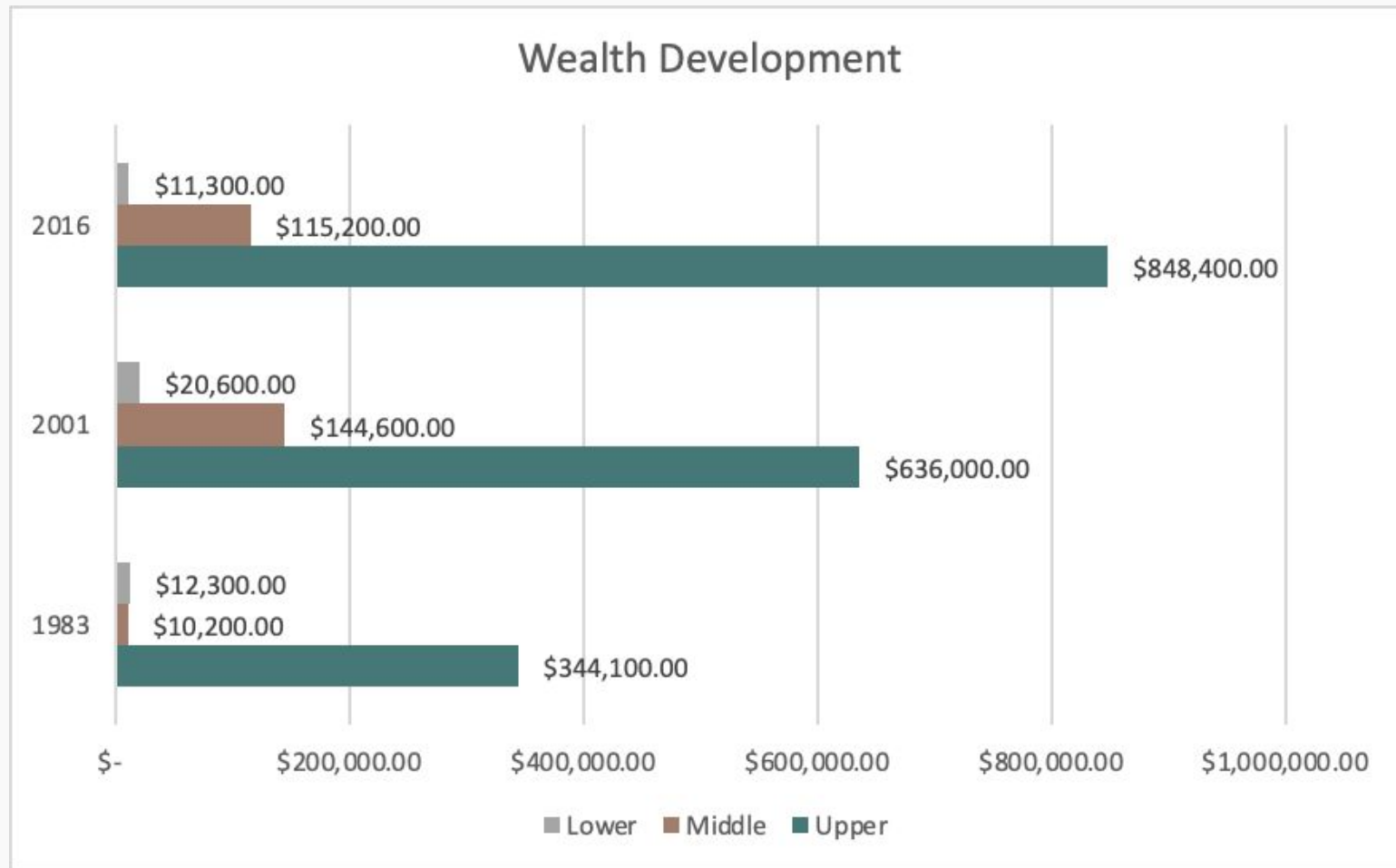
The Gini coefficient is a single number that demonstrates a degree of inequality in a distribution of income/wealth.<sup>1</sup>  
A value of zero represents perfect economic equality, and a value of one represents perfect economic inequality.<sup>1</sup>

Source: Gini coefficient by by Statista Research Department<sup>1</sup>

Source: World Bank<sup>2</sup>

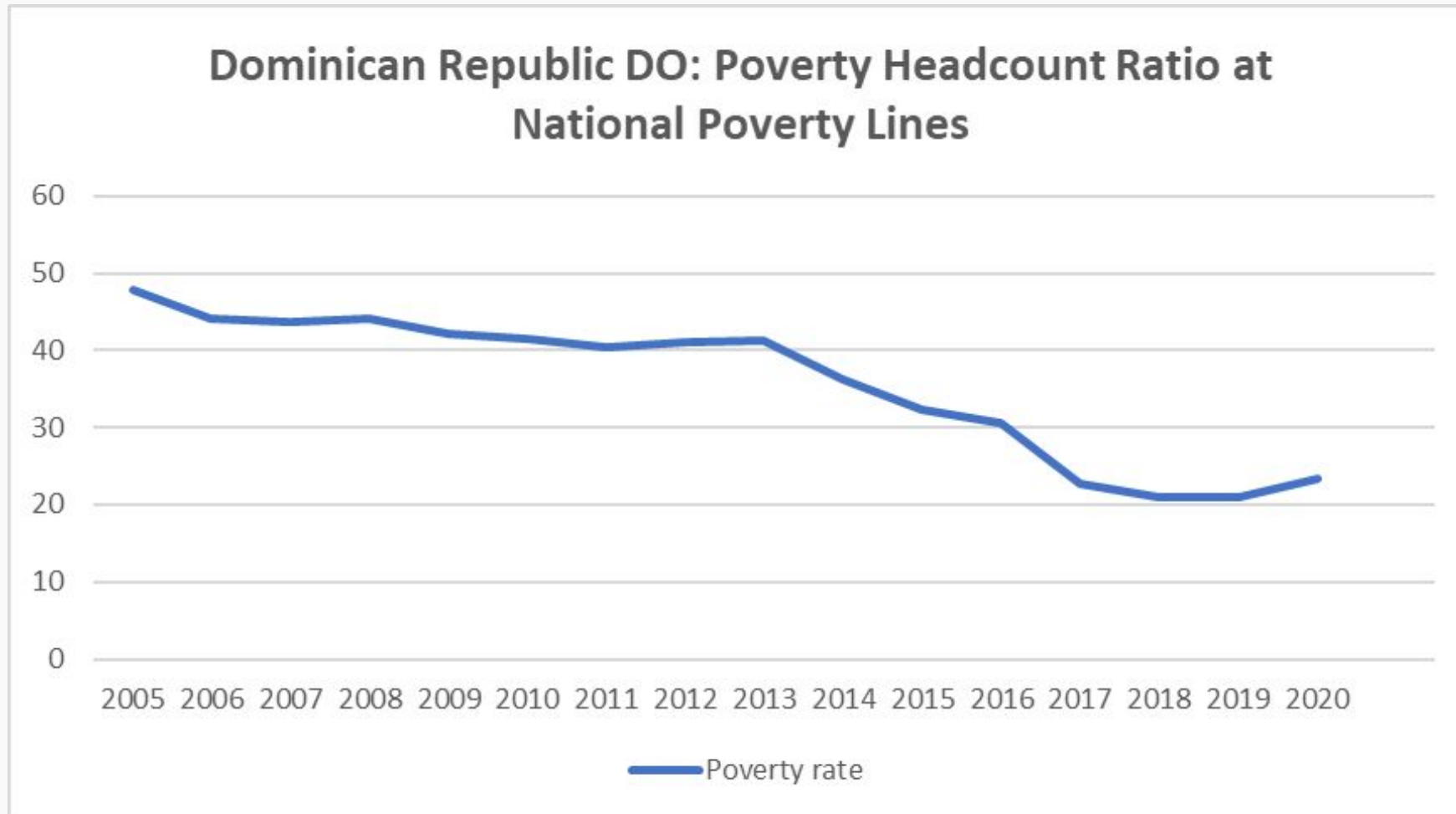
Table: Team creation

# US INCOME INEQUALITY



# DOMINICAN REPUBLIC

## POVERTY RATES ACCORDING TO WORLD BANK



# HAITI

## POLITICAL CRISIS

- Majority of population living in poverty <sup>1</sup>
- 90% of the population at risk <sup>1</sup>
- Big wealth disparity <sup>1</sup>
- Political instability <sup>2</sup>

Source: World Bank <sup>1</sup>

Source: Newspaper Diario Libre <sup>2</sup>

# STEPS PRIOR DISCUSSING INCOME INEQUALITY



# STEPS PRIOR DISCUSSING INCOME INEQUALITY

## KEY TAKEAWAY

Each country has a unique reality and having a strong governments and public policies on poverty are steps necessary before addressing wealth distribution

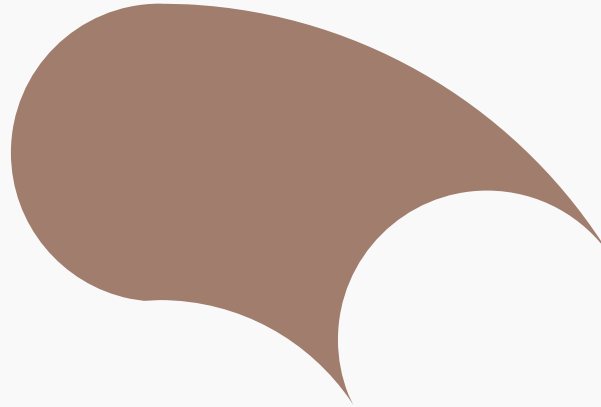
Strong governments  
Trusted governments  
Functional governments  
Governmental programs  
Creation of new jobs  
Progressive taxation  
Raise the minimum wage  
Better wealth distribution from the government





# FAIRNESS AND DISPARITY IN WEALTH DISTRIBUTION

# THE CYCLE



## **CAPITALIST MODEL**

Most widely used system, providing incentives to create value to the economy

# THE CYCLE



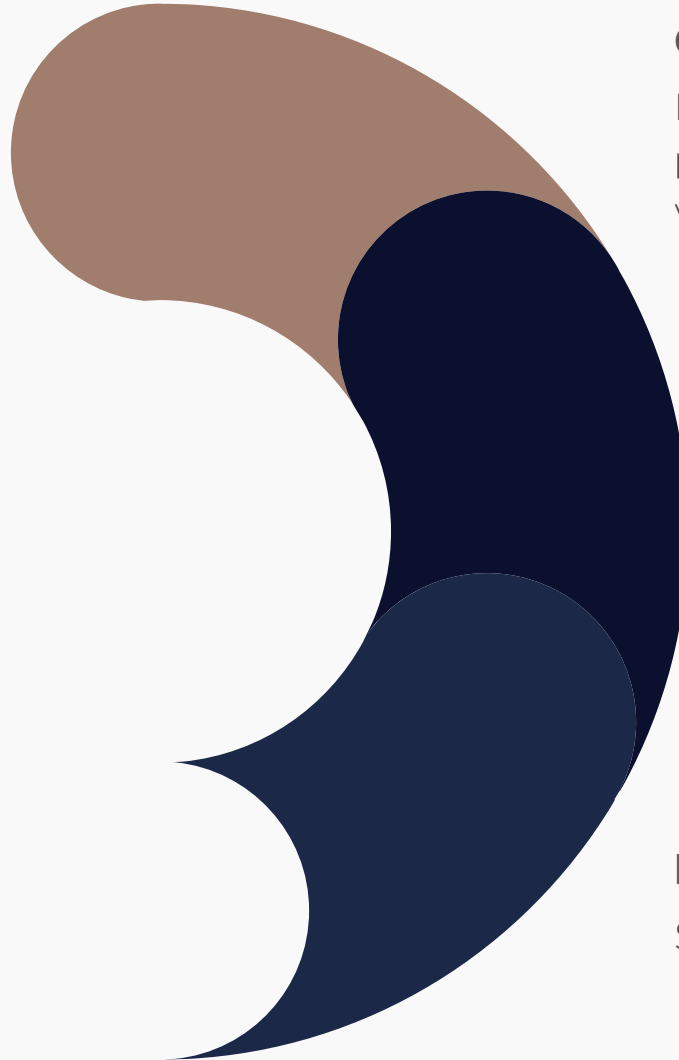
## **CAPITALIST MODEL**

Most widely used system, providing incentives to create value to the economy

## **DISPROPORTIONATE WEALTH DISTRIBUTION**

Creation of wealth at a faster rate for a few

# THE CYCLE



## **CAPITALIST MODEL**

Most widely used system, providing incentives to create value to the economy

## **DISPROPORTIONATE WEALTH DISTRIBUTION**

Creation of wealth at a faster rate for a few

## **LOWER STANDARDS OF LIVING**

Some are left behind

# THE CYCLE



## **NO COVERAGE FOR BASIC NEEDS**

Education, health, shelter

## **CAPITALIST MODEL**

Most widely used system, providing incentives to create value to the economy

## **DISPROPORTIONATE WEALTH DISTRIBUTION**

Creation of wealth at a faster rate for a few

## **LOWER STANDARDS OF LIVING**

Some are left behind

# THE CYCLE

## LACK OF OPPORTUNITIES

Difficulty in growing professionally

## NO COVERAGE FOR BASIC NEEDS

Education, health, shelter

## CAPITALIST MODEL

Most widely used system, providing incentives to create value to the economy

## DISPROPORTIONATE WEALTH DISTRIBUTION

Creation of wealth at a faster rate for a few

## LOWER STANDARDS OF LIVING

Some are left behind



# THE CYCLE

## PERMANENCE IN PRIOR FINANCIAL SITUATION

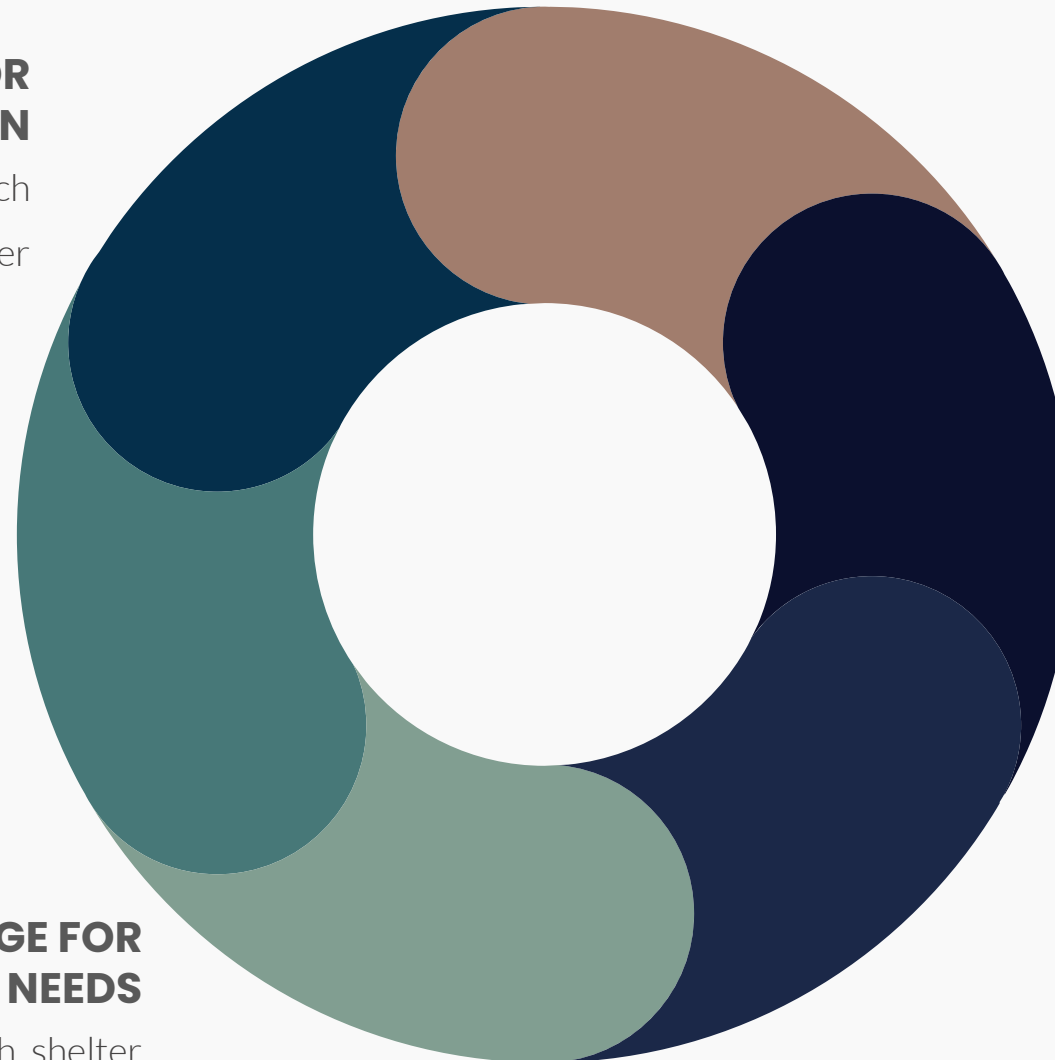
The poor get poorer and the rich get richer

## LACK OF OPPORTUNITIES

Difficulty in growing professionally

## NO COVERAGE FOR BASIC NEEDS

Education, health, shelter



## CAPITALIST MODEL

Most widely used system, providing incentives to create value to the economy

## DISPROPORTIONATE WEALTH DISTRIBUTION

Creation of wealth at a faster rate for a few

## LOWER STANDARDS OF LIVING

Some are left behind

# THE CYCLE

**PERMANENCE IN PRIOR FINANCIAL SITUATION**

**CAPITALIST MODEL**

Most widely used system,

## KEY TAKEAWAY

**LACK OF OPPORTUNITIES**

Difficulty in growing professionally

**DISPROPORTIONATE WEALTH DISTRIBUTION**

Accumulation of wealth at a faster rate for a few

The system is mostly fair, but needs adjustments and supervision to guarantee more equal opportunities.

**LOWER STANDARDS OF LIVING**

Some are left behind

**NO COVERAGE FOR BASIC NEEDS**

Education, health, shelter





# LEADING ROLE AND RESOLUTION

# DECISION MATRIX

+ Strong    × Weak    / Intermediate    ? Unknown

Leader	Criteria				
	Reach	Authority	Transparency	Efficiency	Accountability
Government	+	+	×	/	+
Intergovernmental Organizations	+	×	×	×	×
Corporations	×	×	/	+	×
Non-Profit and Non-Governmental Organizations	×	×	+	×	×

# DECISION MATRIX

+ Strong    × Weak    / Intermediate    ? Unknown

Leader	Criteria				
	Reach	Authority	Transparency	Efficiency	Accountability
Government	+	+	×	/	+
Intergovernmental Organizations	+	×	×	×	×
Corporations	×	×	/	+	×
Non-Profit and Non-Governmental Organizations	×	×	+	×	×

# DECISION MATRIX

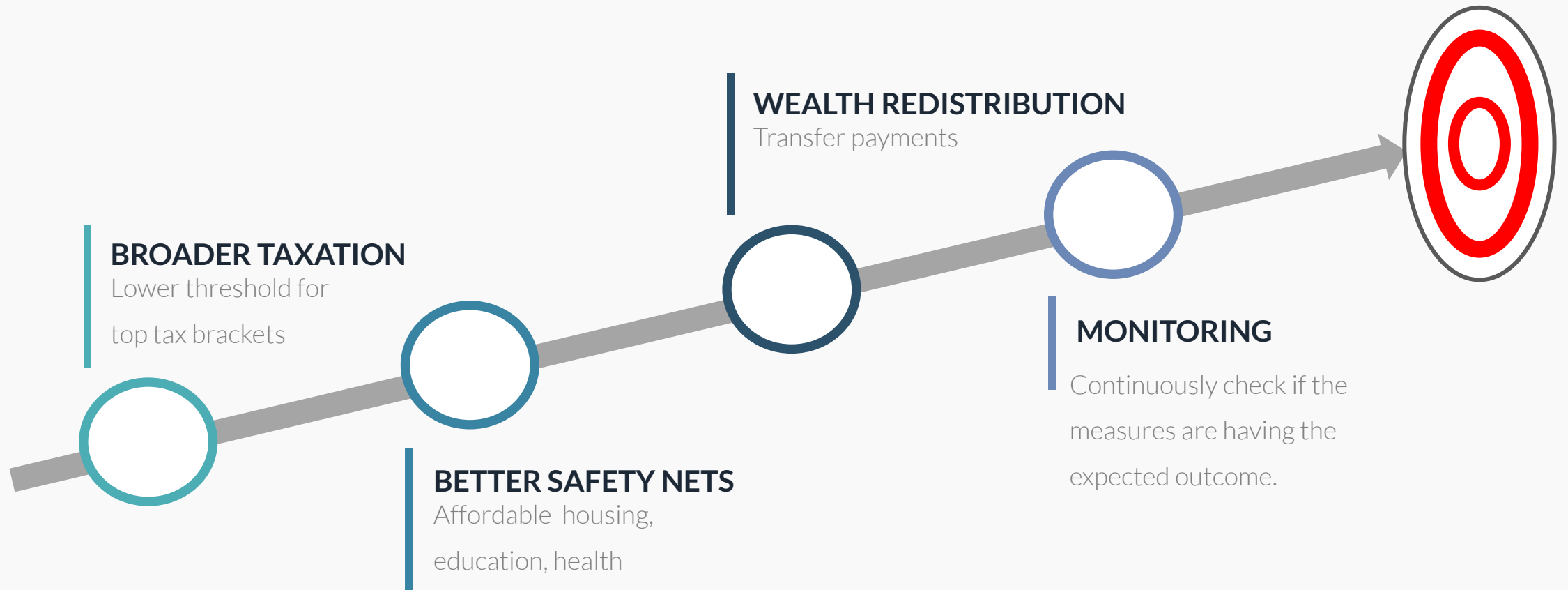
+ Strong    × Weak    / Intermediate    ? Unknown

## KEY TAKEAWAY

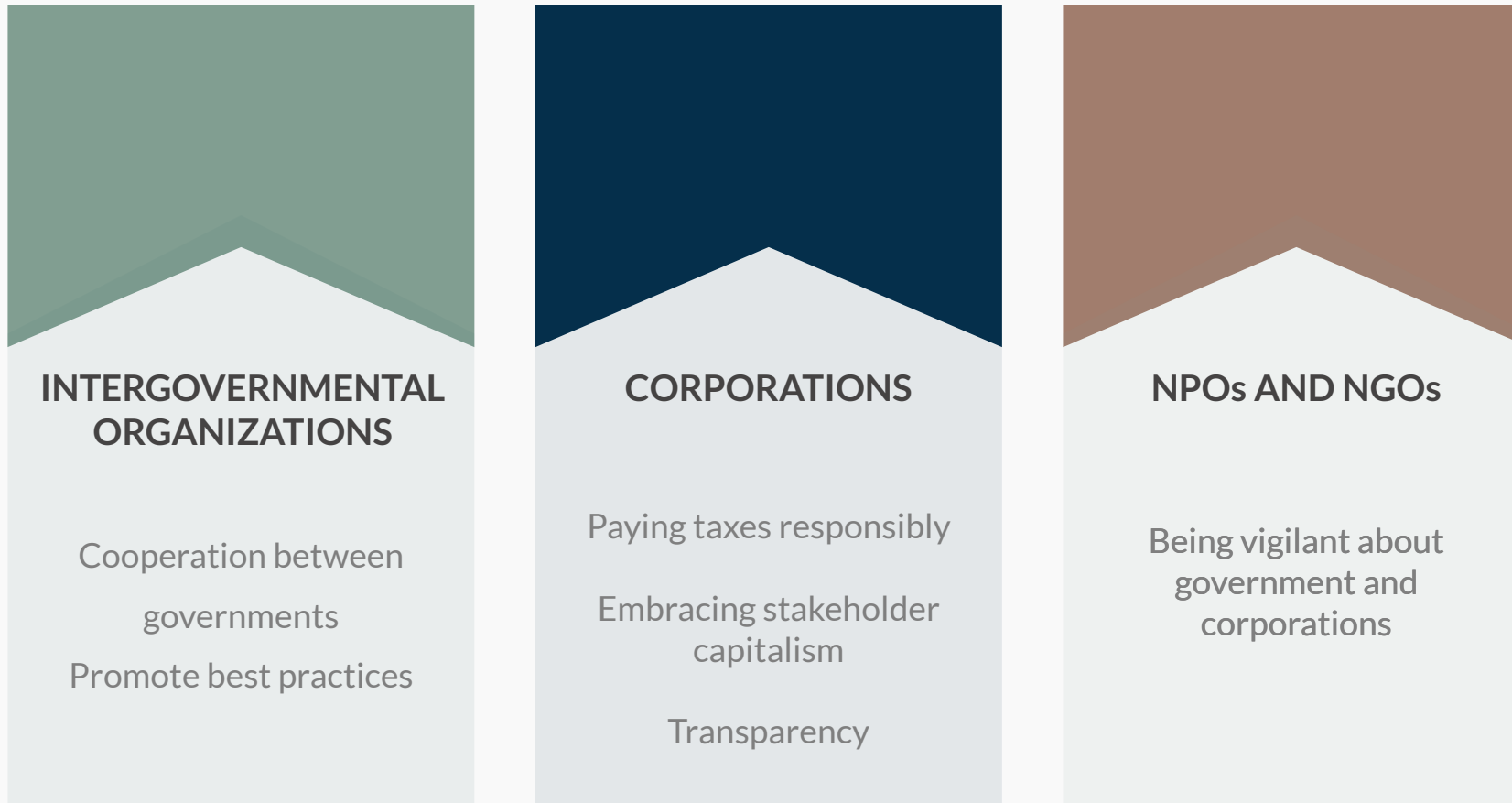
Government	+	+	×	/	+
Intergovernmental Organizations	+	×	×	×	×
Corporations	×	×	/	+	×
Non-Profit and Non-Governmental Organizations	×	×	+	×	×

Governments are in the best position to lead

# THE ROLE OF GOVERNMENT



# WHAT ROLE SHOULD OTHER ACTORS PLAY?



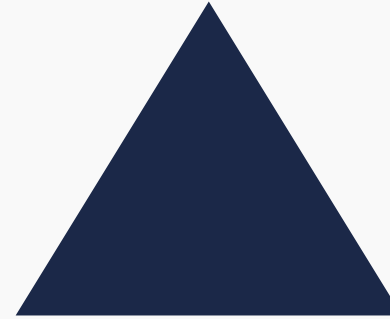


# CORPORATE LEADERSHIP

# STAKEHOLDERS

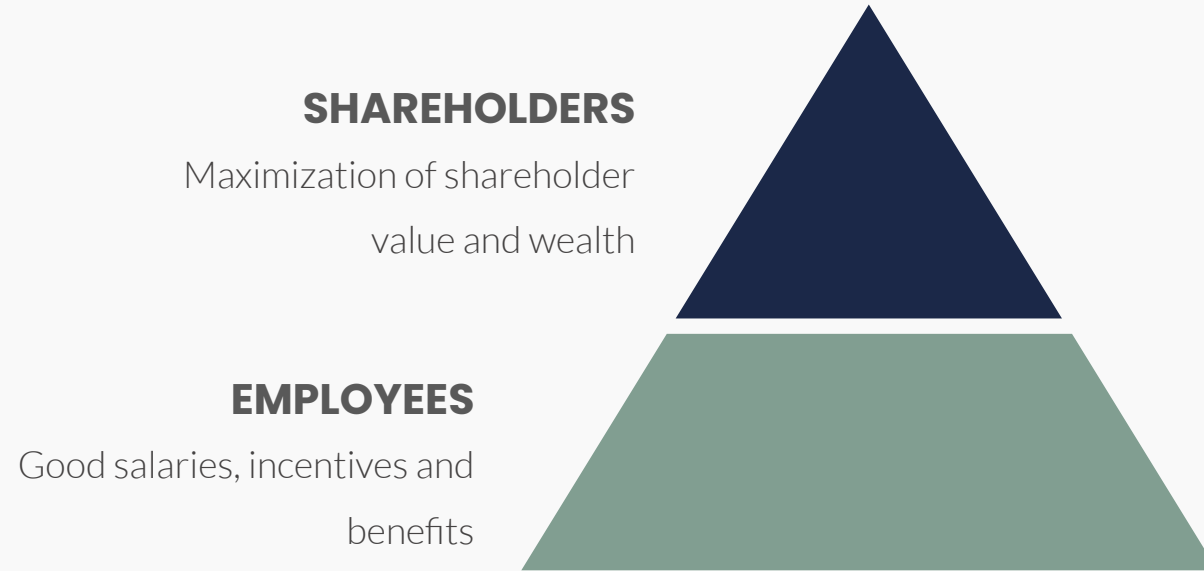
## **SHAREHOLDERS**

Maximization of shareholder  
value and wealth

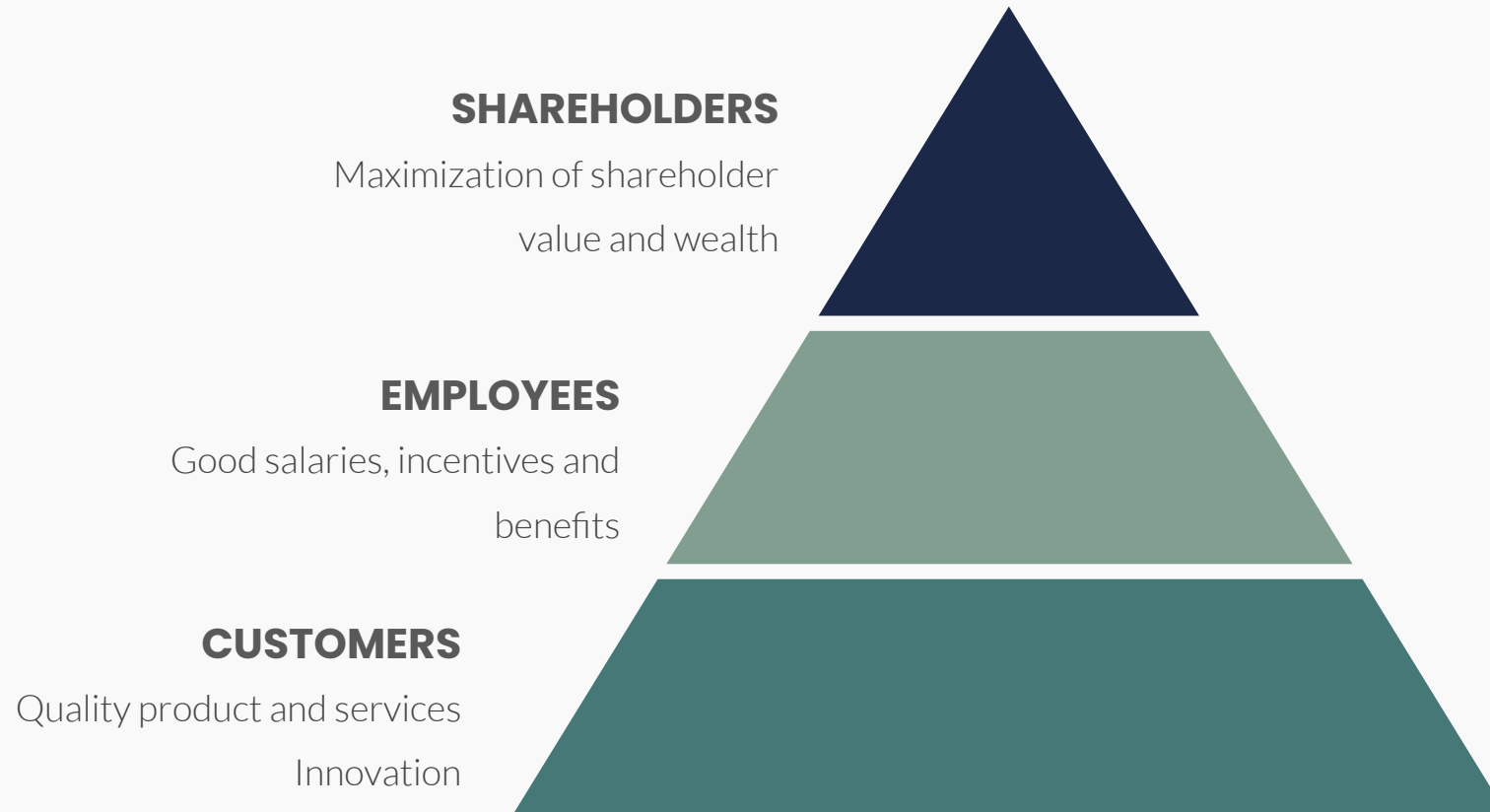




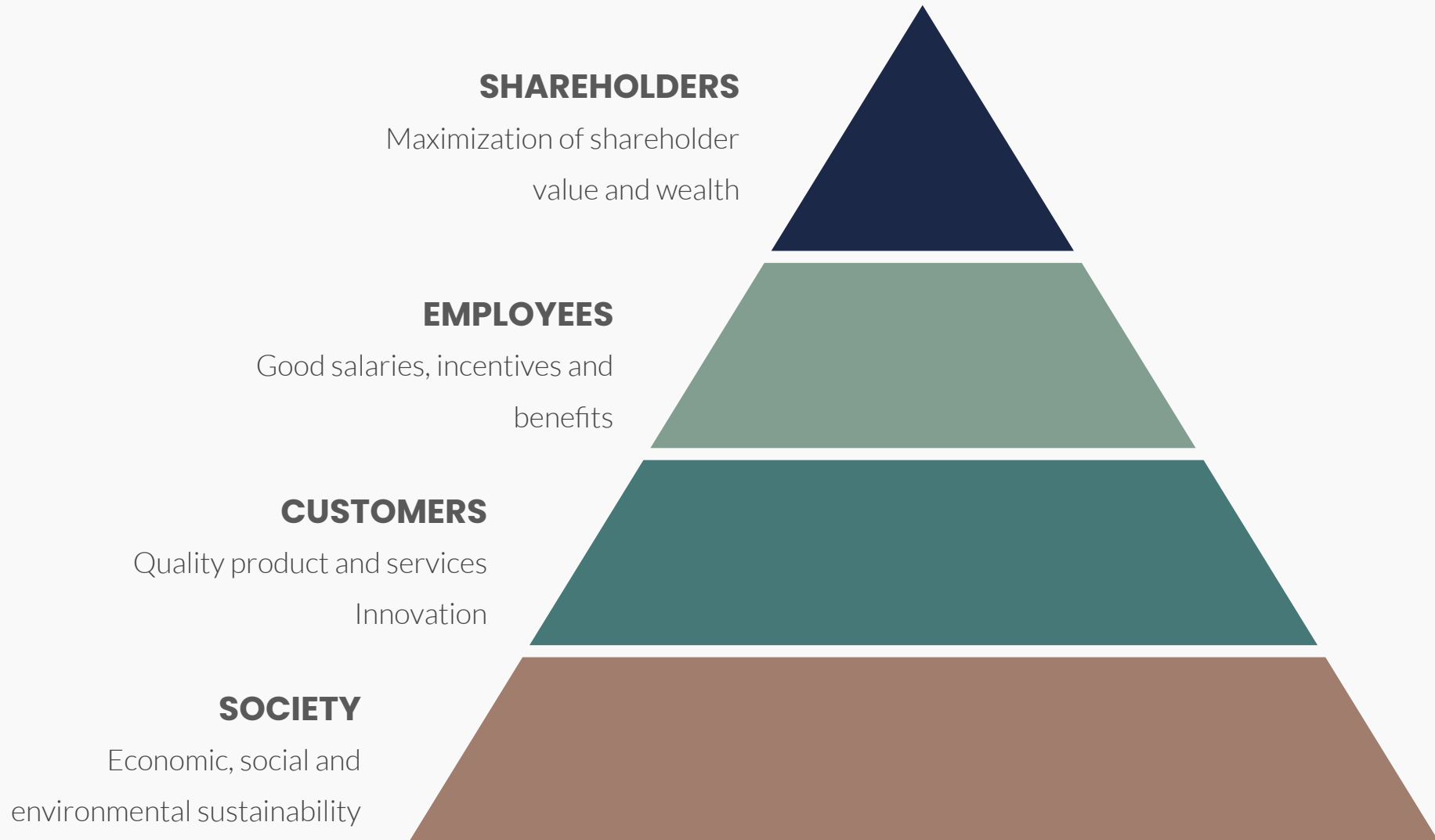
# STAKEHOLDERS



# STAKEHOLDERS



# STAKEHOLDERS



# STAKEHOLDERS

**SHAREHOLDERS**

## KEY TAKEAWAY

Good salaries, incentives and  
benefits

Corporate leaders should participate in the  
democratization of wealth distribution

**CUSTOMERS**  
Quality product and services  
Innovation

**SOCIETY**

Economic, social and  
environmental sustainability



# CORPORATE AND CIVIL IMPACT

# WEALTH DISPARITY IMPACT

With the increase in income inequality we can observe:

- Health and Social Problems increase for the general population linearly as countries become more Unequal<sup>1</sup>
- General Populations disposable income & has diminished in comparison to inflation and net worth increases by the top 10%<sup>2</sup>
- Decrease innovation & entrepreneurship<sup>3</sup>

<sup>1</sup>Organization for Economic Cooperation and Development (OECD), "Society at a Glance 2019: OECD Social Indicators"

<sup>2</sup>Wilkinson & Pickett, The Spirit Level 2009

<sup>3</sup>Bertelsmann-stiftung, "The Impact of Income Inequality on Economic Growth"

# MARKET EFFECTS

With the Increase in income Inequality we can observe:

- Health and Social Problems increase for the general population linearly as

- Ge... inflation and net worth increases by the top 10%\*\*

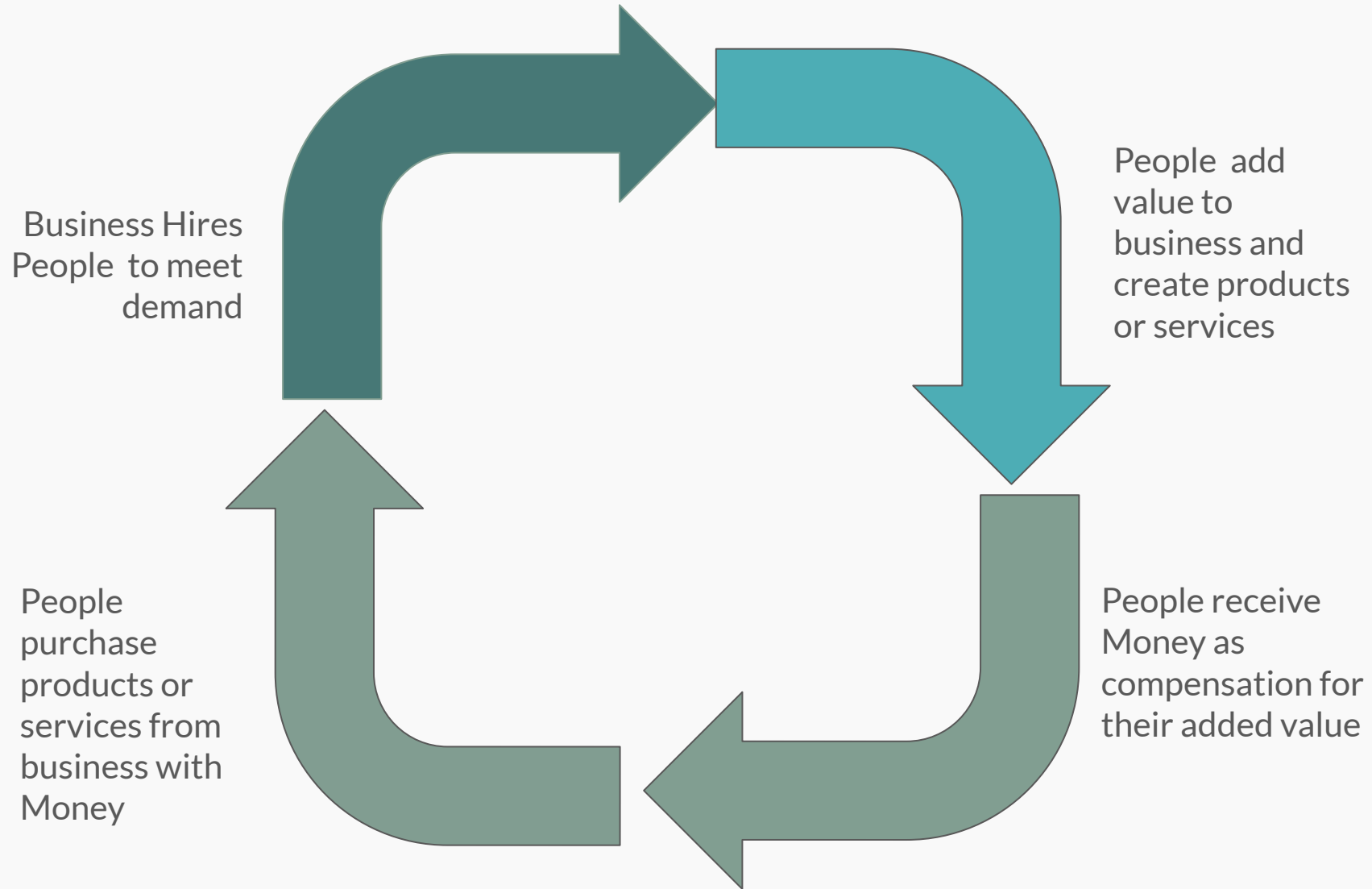
- Decrease innovation & entrepreneurship\*\*\*
- Wealth Inequality has a direct effect on the long term economic growth of a nation

<sup>1</sup>Organization for Economic Cooperation and Development (OECD), "Society at a Glance 2019: OECD Social Indicators"

<sup>2</sup>Wilkinson & Pickett, The Spirit Level 2009

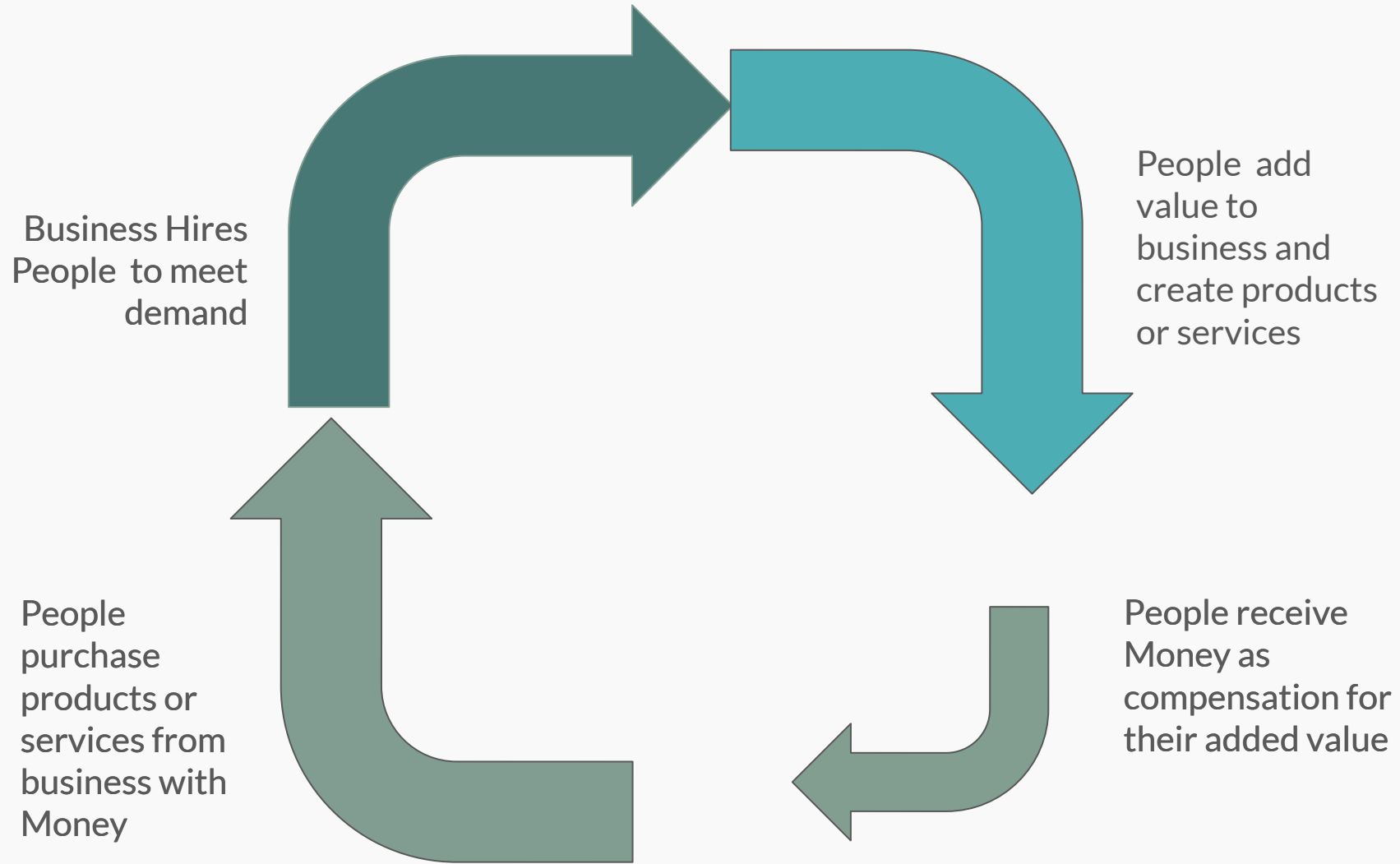
<sup>3</sup>Bertelsmann-stiftung, "The Impact of Income Inequality on Economic Growth"

# ECONOMIC PROCESS

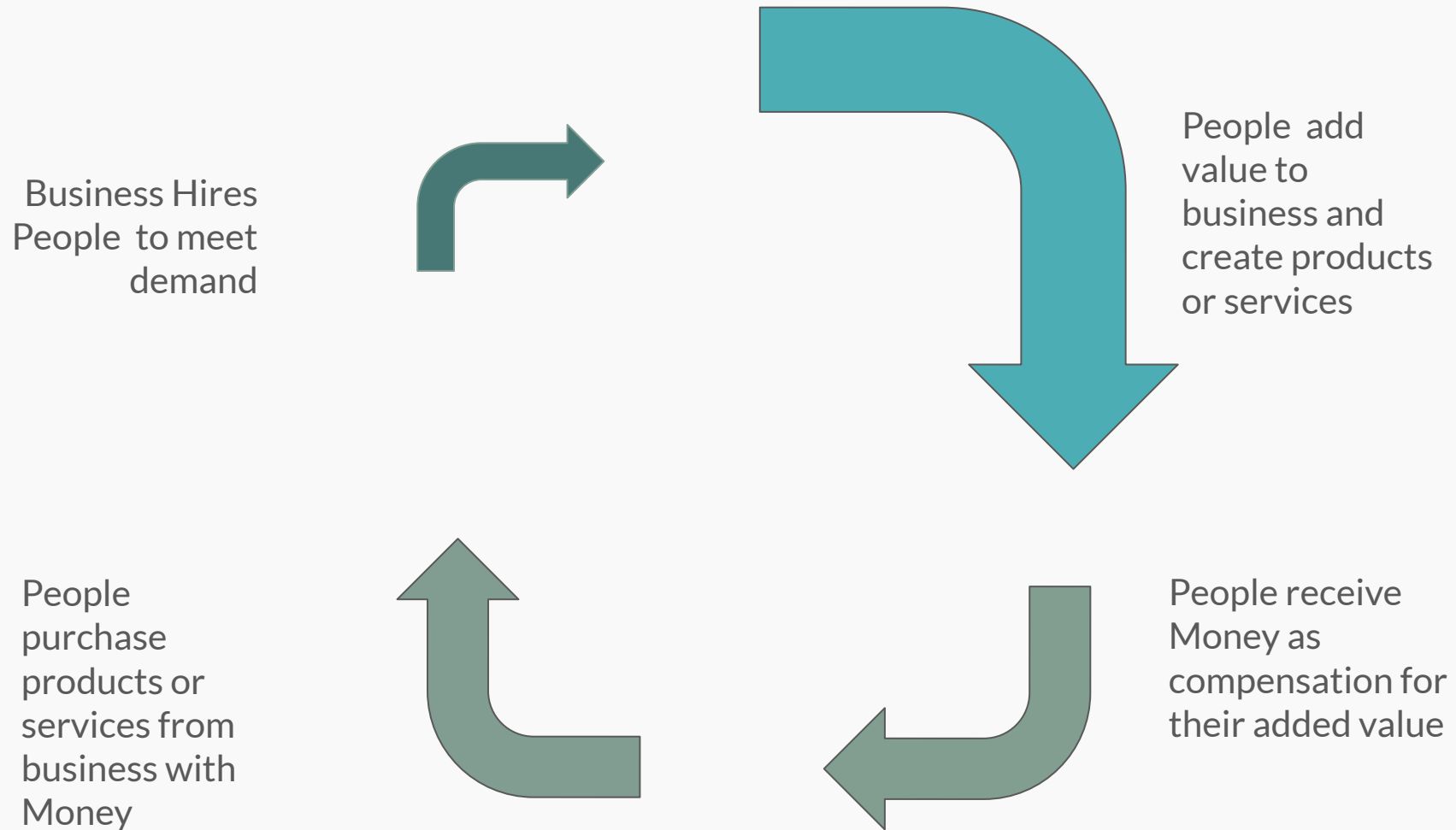




# ECONOMIC PROCESS



# ECONOMIC PROCESS



## **FAIR SYSTEM, IMPERFECT RESULT**

The system is mostly fair, but  
needs adjustments and  
supervision to guarantee  
more equal opportunities.

## **FAIR SYSTEM, IMPERFECT RESULT**

The system is mostly fair, but needs adjustments and supervision to guarantee more equal opportunities.

## **GOVERNMENTS SHOULD LEAD THE FIGHT**

Governments are the ones with the greatest reach, authority and accountability to address each countries' issues.

## **FAIR SYSTEM, IMPERFECT RESULT**

The system is mostly fair, but needs adjustments and supervision to guarantee more equal opportunities.

## **GOVERNMENTS SHOULD LEAD THE FIGHT**

Governments are the ones with the greatest reach, authority and accountability to address each countries' issues.

## **RECOMMENDATIONS**

Broader taxation

Better safety nets provided by the governments.

Wealth redistribution such as unemployment and disabilities payments

## **FAIR SYSTEM, IMPERFECT RESULT**

The system is mostly fair, but needs adjustments and supervision to guarantee more equal opportunities.

## **GOVERNMENTS SHOULD LEAD THE FIGHT**

Governments are the ones with the greatest reach, authority and accountability to address each countries' issues.

## **RECOMMENDATIONS**

Broader taxation

Better safety nets provided by the governments.

Wealth redistribution such as unemployment and disabilities payments

## **VERY NEGATIVE EFFECTS IF NOT ADDRESSED**

Less disposable income

Less innovation

Health and social problems

WEALTH DISPARITY  
*AN EMERGING GLOBAL ISSUE*

ESTIFER BALDERA  
NAOMI DI COCCO

CARLOS PIOLA  
FERNANDO SIERRA

# Barna Consulting Firm

*Additional sources:*

<https://taxfoundation.org/bernie-sanders-scandinavian-countries-taxes/>

<https://www.theguardian.com/business/2021/oct/08/oecd-deal-imposes-global-minimum-corporate-tax-of-15#:~:text=Almost%20140%20countries%20have%20taken,to%20be%20imposed%20by%202023>

*YouTube Link:*

<https://youtu.be/VAP4Og1Am3U>

ESTIFER BALDERA  
NAOMI DI COCCO

CARLOS PIOLA  
FERNANDO SIERRA