



Saturday December 18th, 2021
5:00pm

VIDEO LINK

https://youtu.be/RDe5fU_NXNc



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JMSB

CASE COMPETITION

Preliminary Case

Wealth Disparity

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Wealth Inequalities Across the World

Problem

Context

Alternatives

Recommendations

Conclusion

- There are disparities between Countries across the world.
- Caused by inequality of opportunity, generated by different factors.

What steps could be taken to bridge the gap?

Takeaway: Wealth Disparity - What, Why & How?

Indicators of Wealth Disparity

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○ Between Countries: GDP per capita¹

Poor countries	Emerging countries	Developed countries
[\$250 - \$1,000]	[\$10k - \$15k]	[\$40k -]

○ Between people: Income²

Wealth of 1% of world's richest people is **two times greater** Wealth of 6.9 Billion people

Source #1: Statista

Source #2: Oxfam International

Takeaway: Wealth disparity – Macro to Micro level

Why wealth disparity needs to be tackled

Problem

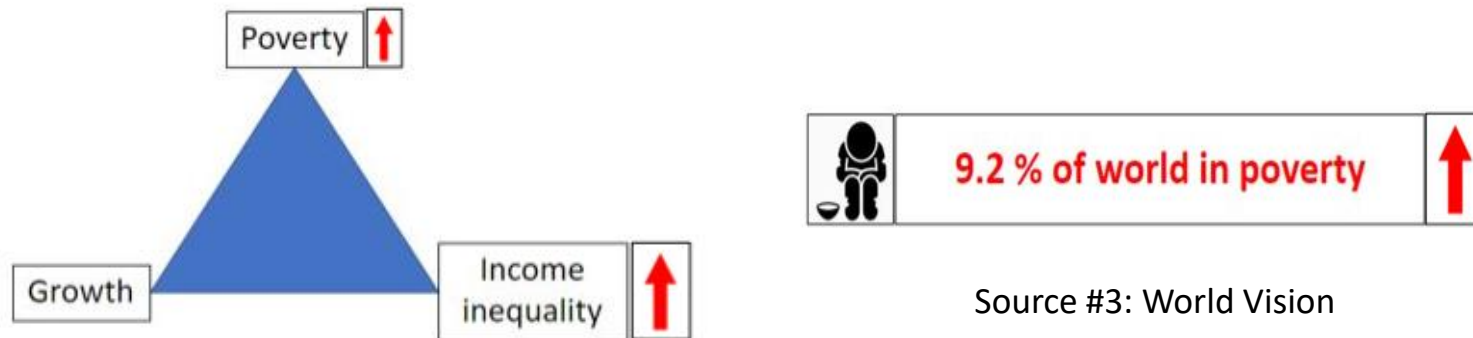
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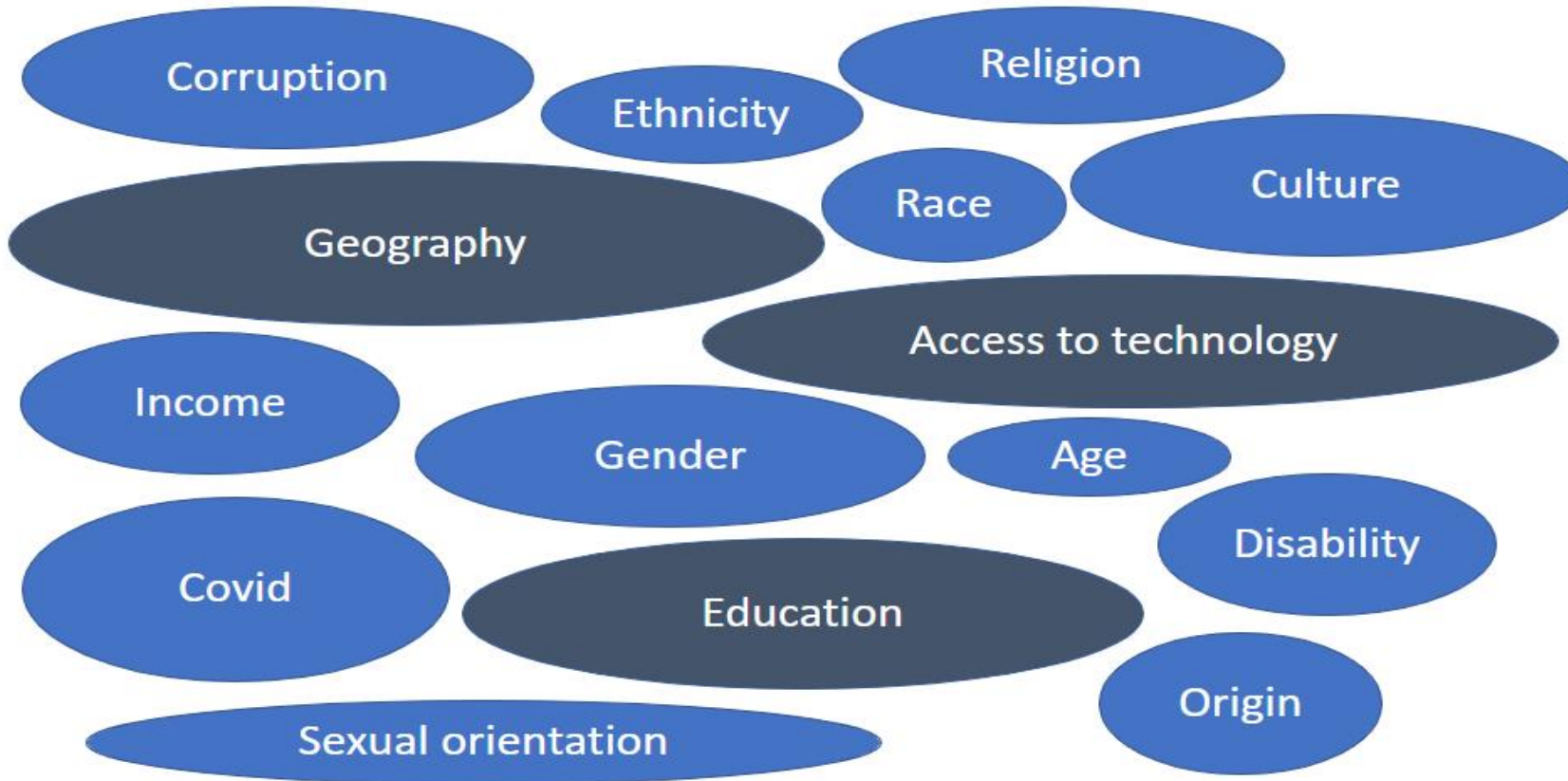
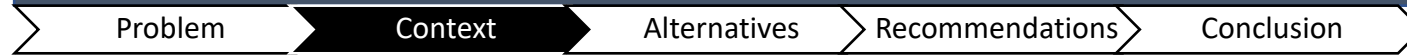
- **Poverty-Growth-Inequality Triangle** by François Bourguignon.
 - This idea suggests **income inequality leads to poverty.**



- **Leads to unhealthier societies** because of the following:
 - More crime – Example: Higher homicide rates
 - Drug and alcohol addiction
 - Increase in teenage pregnancies
 - Decrease in life expectancy

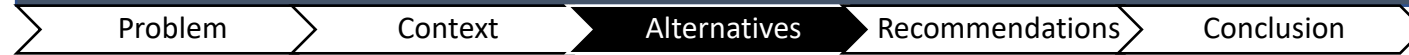
Takeaway: Wealth disparity is a major threat

Contributing factors to inequalities



Takeaway: Multiple factors contribute to Wealth Disparity

Options available to alleviate inequalities



Global Level

- **Labor Policies** such as implementing the concept of minimum wage to fight exploitation, Improving employment standards for low wage workers
- **Universal preschool education** and **childcare** will financially benefit low-skilled and low-income workers and help keep women in the workforce
- **Favorable policies** for under-developed countries

Takeaway: Actions at global level to reduce wealth disparity

Options available to alleviate inequalities

Problem

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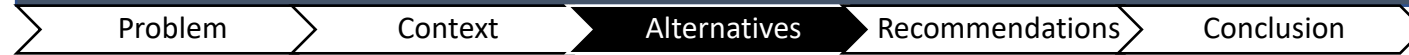
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Country Level

- **Tax Policies** (Progressive taxing, Wealth tax)
- **Education Policies** (Universal & Vocational Education)
- **Healthcare Policies** (Access to Healthcare for all,
Subsidized child-care)
- Increase the access of **small-scale enterprises** to financial services and their integration into value chains and markets
- **Limiting donation** to political campaigns funding

Takeaway: Actions at country level to reduce wealth disparity

Options available to alleviate inequalities

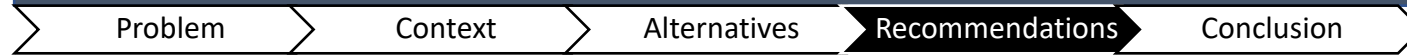


Corporation Level

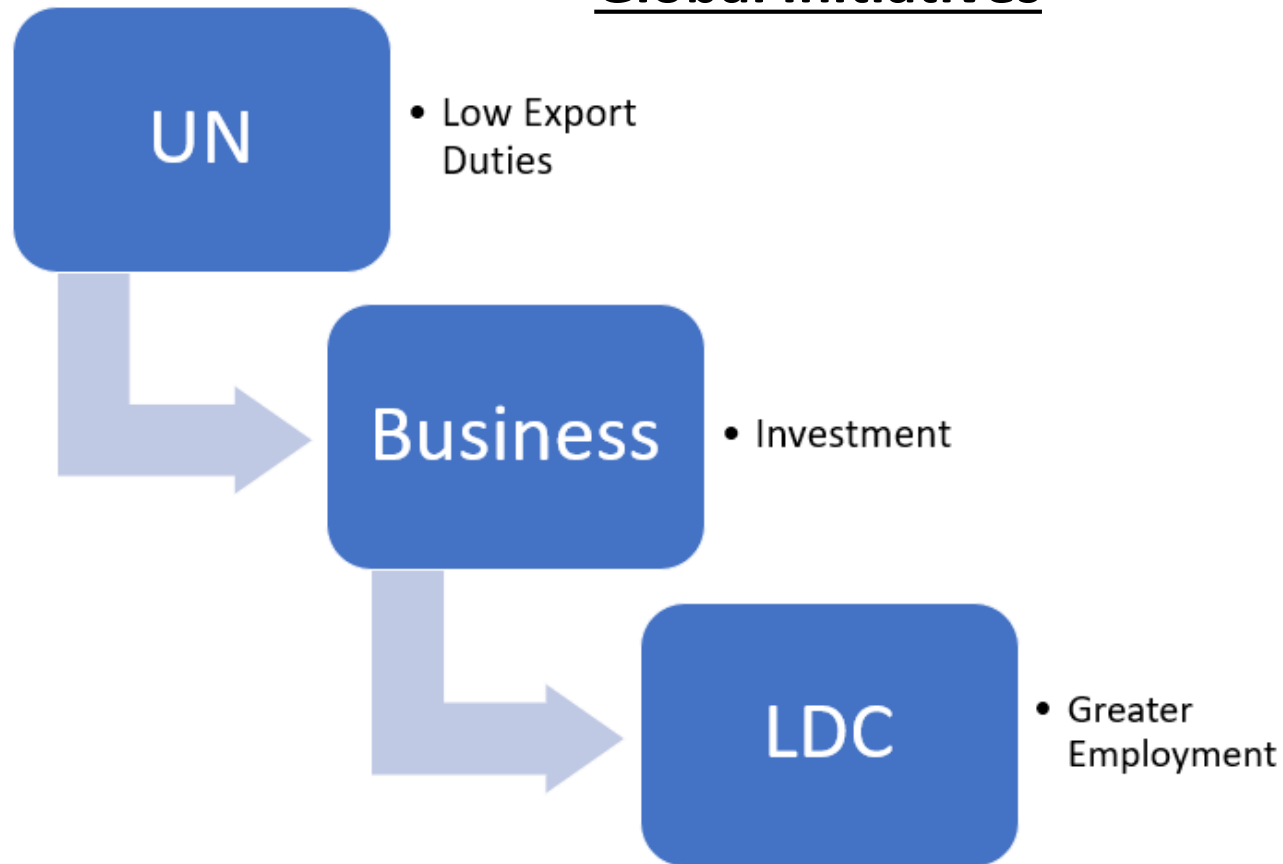
- **Corporate Regulation Policies** (Example: Large firms can drive out competition by predatory pricing models, non-compete agreements)
- Pass on the benefits to the lower income employees
- Low Interest rates offered to new business started by minorities

Takeaway: Actions at corporate level to reduce wealth disparity

Free Trade agreements for least developed countries



Global Initiatives



Takeaway: Promoting investment and employment

Tax revenues for sustainable development

Problem

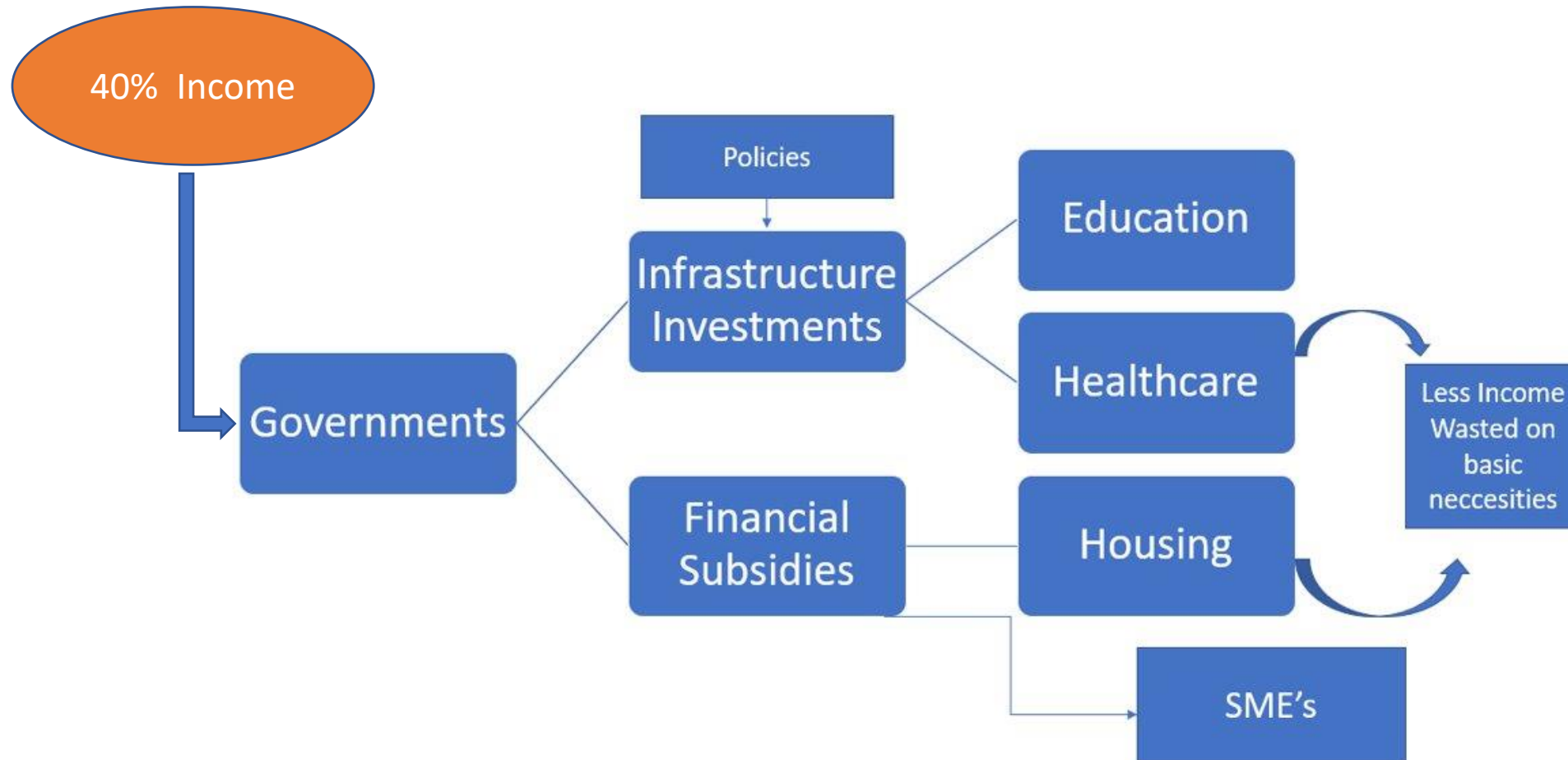
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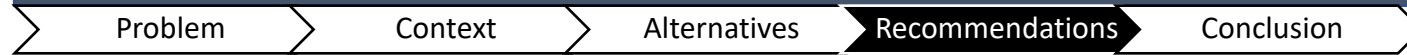
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Government Initiatives

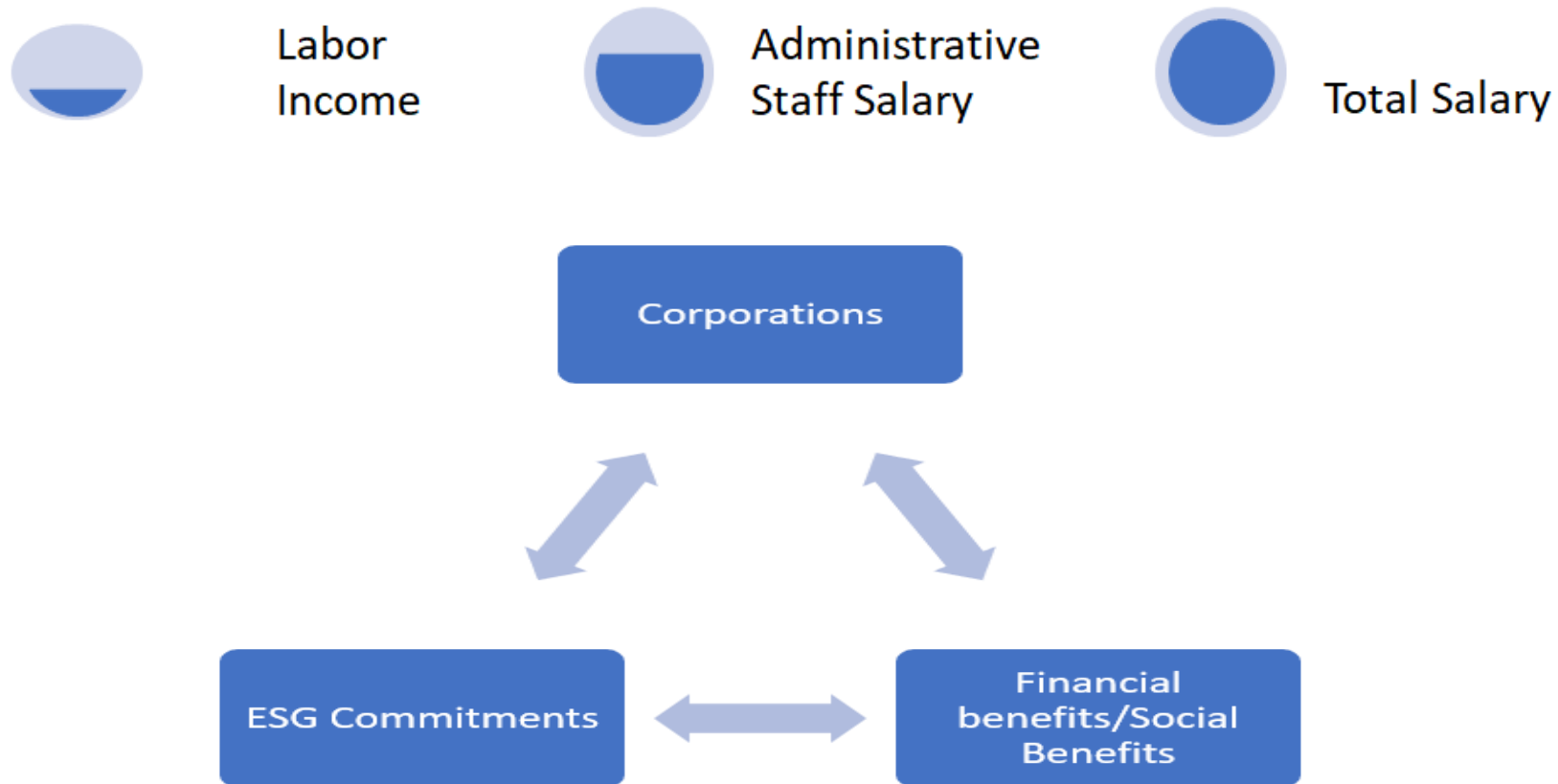


Takeaway: SME's boost economic development, while other investments saves money

Pass on the benefits to the Labor



Corporate Initiatives



Takeaway: A win-win situation for both

Conclusion



- Inequality needs to be addressed urgently
- Strict actions from Govt. needed
- Progressive Taxation is the key to address accumulation of wealth
- New approaches for new challenges

Takeaway: A fairer world is Possible

“The millions who are in want will not stand by silently forever while the things to satisfy their needs are within easy reach.”

Franklin Roosevelt (1932)

Thank you!