

POV

NEW HIGHLIGHT

Modern society changes fast, but its problems remain familiar. We have more information than ever, yet less clarity—what matters is how we understand it.

QINGDAO DEAWON SCHOOL

SLOW DOWN, STAY PRESENT



Op-Ed by Zhiyan Cui

Income inequality and poverty

Nowadays, poverty still happens between several countries as a result of income inequality. According to the Luis-Felipe Lopez-Calva's 2025 poverty and inequality update in world bank, we can know that 'from 1990 to 2025, the total number of people worldwide living in extreme poverty declined from around 2.3 billion to around 831 million' It can be seen the range of poverty decreasing extremely in over a period of 35 years. But we still have to take into account Income inequality is one of the big factor of causing the poverty.



Khayelitsha, Johannesburg, South Africa
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'One way inequality can matter to the rate of poverty reduction is through the rate of growth in average income.' says Martin Ravallion. This argument demonstrates that income inequality and poverty are dependent - income inequality leads to poverty. From the statistics published by Lucinda platt, it can be found the tendency of higher income inequality causes higher poverty. Because of the inequality, the poor community will have problems of educations and skills, thereby the lack of educations and techniques will lead to few opportunities.

In addition, there is a poverty trap between the rich and the poor, in which is a self-reinforcing and cyclical mechanism. The poor will get lack of education while the rich will have a better education than the poor, and they will have a job with high salary. The access to opportunities are set since birth: someone ill have numerous opportunities while others have to overcome countless obstacles. This gap between the poor and the rich will recycle over and over and the inequality becomes worse. The poor will get lower education opportunities and incomplete healthcare system, which will result in risky social chaos. In human life, a big breakthrough or a triumph is mainly determined by knowledge, which the poor can't access due to lack of high-quality education. In other words, it means that they barely have chances to prove themselves and achieve their goals.

The impact of poverty on society is detrimental. Incomplete healthcare which included malnutrition, insufficient medical care, and decrease in population is a serious problem that hasn't been entirely handled yet. Usually, diseases or flu spread from a place with mess, containing elements that are hard to defeat. The place with mess that hardly have a fine medical system, it will not only affect the local residents, but also have a likelihood of spreading all over the world. Higher the gap is, higher the probability of chaos appear, that is, people feel unfair when they get inequality.

Source: SIEP – “Quality of Government and Subjective Poverty in Europe”



According to Mahatma Gandhi, ‘The true measures of any society can be found in how it treats its most vulnerable members’. It means we can figure out a state by find out how they treat to their vulnerable members, the condition of citizens can reflect the overall state of a country, revealing how country treat to vulnerable citizens. Giving inequality in income not only affect the poor, but also give disadvantage on all of the world.

Government can reduce inequality by improving education and giving welfare. As I have mentioned, opportunities are determined by knowledge, so by providing free or better education system, society can decrease inequality. In Finland, all the students can access free education and teaching quality are extremely high that give rise to lower social inequality. The data shows a income inequality at 3.73, in which 0 means absolute quality and 100 is absolute inequality. Furthermore, there is a likelihood of decrease inequality by offering welfare, such as medical treatment, housing, subsidy, and chance of employment.

In conclusion, government should lessen income inequality using a way of provide equal chance and higher education system to break the cycle of poverty. ‘High economic inequality in a country can limit people’s ability to move uptime socioeconomic ladder’ from world bank emphasize a point of view of how severe inequality can affect a country. Countries are like ladders and citizens are like the people who try to climb the ladder, economic equality is a factor of impetus to climb upwards. Reducing income inequality is essential for the stability of country and for all of the world.