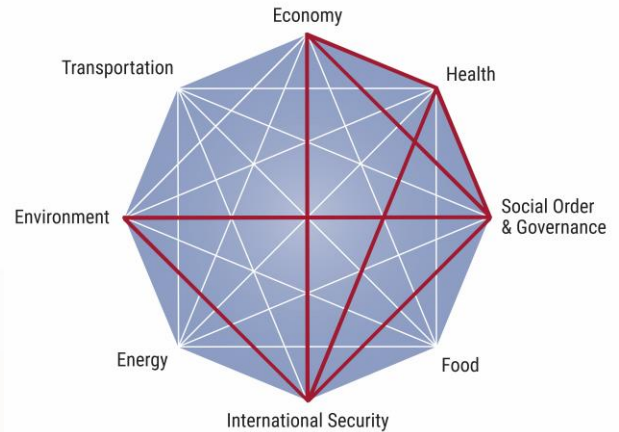


## Shocking global inequality

Michael Lawrence



### Summary

This Brief examines how the COVID-19 pandemic is interacting with entrenched structural inequalities between the wealthiest and the most marginalized segments of humanity, and how, in the absence of new approaches, national responses to the pandemic could gravely accentuate these inequalities and amplify their adverse consequences.

### Emerging trends

- The COVID-19 pandemic struck mainly wealthy countries first; its devastating consequences on poor countries lagged by two or more months and continue to escalate.
- The world's uneven response to the pandemic has laid bare deep structural inequalities between and within countries.
- Both the pandemic and the consequent decrease of international assistance to poor countries are driving vicious circles of poverty, hunger, inequality, violence, and displacement.
- The pandemic is also further deepening domestic inequalities that will likely accelerate such vicious circles and consequent social upheavals in both wealthy and poor nations.

### Implications for action

- Actions taken to fight the coronavirus pandemic interact with a broader history of global inequality; they could therefore reinforce structural inequalities.
- The COVID-19 pandemic may compel rich countries to turn inward and pursue a "global containment" strategy that builds barricades against the outside turmoil associated with global inequality.
- Global containment is destined to fail both practically and ethically. It will escalate humanitarian crises beyond all control, and the negative consequences of rising inequality will afflict rich countries as well as poor.
- A more viable approach would focus on reducing global inequality, rather than attempting to fortify the privileged against inequality's effects.

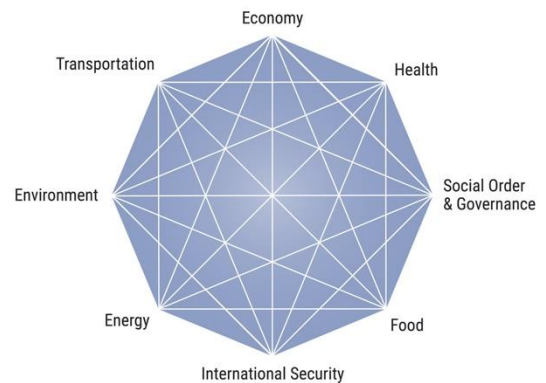
## About the Cascade Institute

The Cascade Institute is a Canadian research center addressing the full range of humanity’s converging environmental, economic, political, and technological crises. Using advanced methods for mapping and modeling complex global systems, Institute researchers identify *high-leverage intervention points* in cognitive, institutional, and technological systems that, if effectively exploited, could rapidly shift humanity’s course towards fair and sustainable prosperity.

The Institute is located at Royal Roads University in British Columbia, a leader in training professionals to apply creative solutions to entrenched problems.

## About the Inter-Systemic Cascades (ISC) Project

The Cascade Institute’s *Inter-Systemic Cascades Project* maps causal routes through which the COVID-19 pandemic could sequentially destabilize associated national and global systems, causing cascades of change. This series of Briefs focuses on the pandemic’s implications for the eight key systems highlighted around the adjacent octagon, and each Brief maps a possible causal route of destabilization among these systems. Cascades may be either “pernicious” (socially harmful) or “virtuous” (socially beneficial).



The analysis in this series starts from the assumption that societies are organized around cohesive sets of worldviews, institutions, and technologies (WITs), where:

- **Worldviews** are mental networks of concepts, beliefs, and values—often emotionally charged—that allow people to interpret things around them and plan their actions.
- **Institutions** are a community’s rules governing social behaviour, including formal rules (constitutions, laws, and contracts), informal rules (customs and norms), and mechanisms of enforcement.
- **Technologies** are problem-solving tools that people create by harnessing phenomena of their physical and social environments.

### WITs in this Brief

**Worldviews:** Values of equality and social justice versus doctrines of social hierarchy

**Institutions:** Imperialism, liberal internationalism, neoliberalism, segregation

**Technologies:** Global interconnectivity of economic production

### What’s *not* in this Brief

The following topics are not addressed in this Brief, but they may be considered in future contributions to this series:

- Gender inequality
- The unique position of BRICS countries (Brazil, Russia, India, China, and South Africa) in comparison to rich and poor countries.

# Shocking global inequality

## Background

### A pandemic of inequality and the inequality of the pandemic

The COVID-19 pandemic has laid bare the extent of global inequality in unexpected and disturbing ways. The pandemic, for the most part, struck wealthy countries first. In these nations, the coronavirus has disproportionately affected the most underprivileged and vulnerable people, especially those who are financially stressed, unable to work from home, lacking health care, racially stigmatized, resident in elder-care facilities, or otherwise on the margins of society. From May 2020 onward, coronavirus infections exploded in poor countries that were even less capable of coping with the pandemic. Although by August 2020 some rich countries appear to have passed their initial peak of infections, the “first wave” continues to swell in others (see Figure 1). Meanwhile, the International Monetary Fund (IMF 2020) projects that global gross domestic product (GDP) will contract by 4.9 percent in 2020<sup>1</sup> and trade by 11.9 percent, while global employment has already shrunk by 14 percent (ILO 2020).<sup>2</sup> It will be years before global GDP returns to pre-COVID-19 levels. Many countries, rich and poor, face an extended economic disaster.

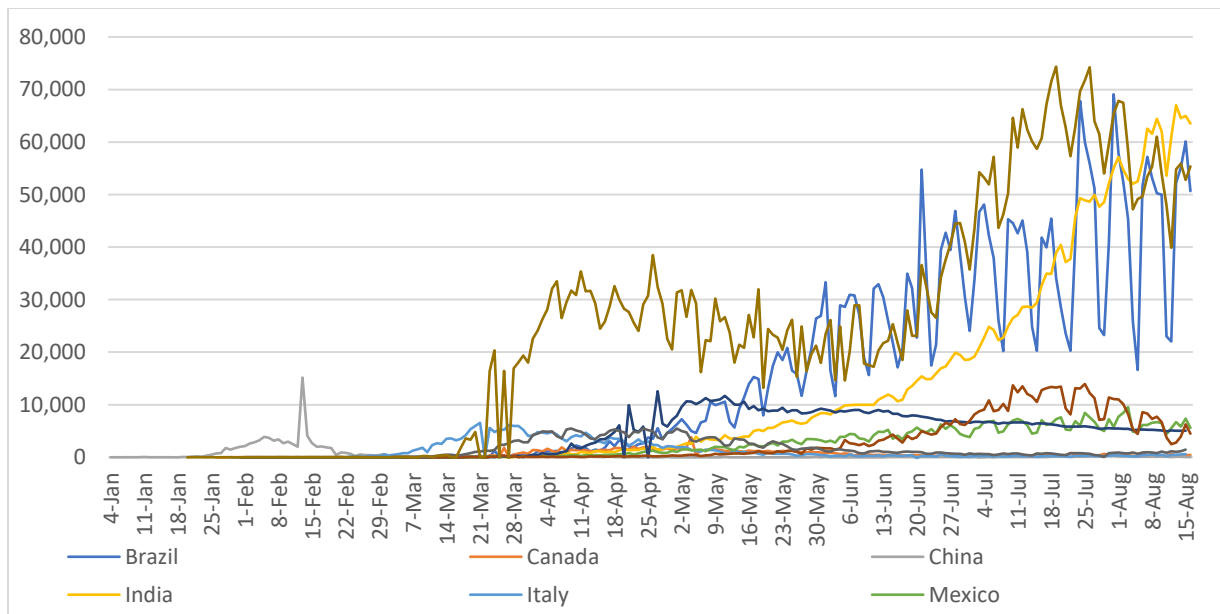


Figure 1: Daily new COVID-19 infections in select countries<sup>3</sup>

<sup>1</sup> This figure is notably larger than the 3 percent contraction of global GDP that the IMF had forecasted just months ago. Time and again, the impacts of coronavirus have proved worse than estimated.

<sup>2</sup> This 14 percent drop is equivalent to 400 million full-time jobs lost (ILO 2020).

<sup>3</sup> Based on World Health Organization data: <https://covid19.who.int/>, accessed 16 August 2020.

In these unequal and uncertain circumstances, this Brief asks:

*During the COVID-19 pandemic and beyond, how will—and how should—the most privileged parts of the world engage with its most disadvantaged parts?*

As the costs of the COVID-19 pandemic soar, the publics and political leaders of wealthy countries will increasingly focus inward. They'll be inclined to "stop wasting money on foreigners" and to build walls (literal and figurative) to keep the chaos at bay. This Brief refers to such a strategy as "global containment," which, as the next subsection explains, has evolved out of a long history of global inequality.

The notion of "containment" seems particularly apt during a pandemic because it resonates with disease-fighting practices, wherein infected people are quarantined to keep them from affecting healthy populations. Border closures have indeed slowed the spread of the virus. The limited ambitions of a containment strategy—and the justification this strategy provides for reduced international assistance—will appeal economically to governments that have already overstretched their resources to fight the pandemic.

This Brief argues that a containment strategy is neither a feasible nor a desirable approach to global inequality, especially in the medium- to long-term. The Analysis section below argues, first, that declining international assistance, when combined with the impacts of COVID-19, will create spiraling humanitarian crises that extend beyond the borders of poor countries. It argues, second, that global inequality is increasingly *transnational*, so that the inequities and conflicts *between* rich and poor countries are increasingly paralleled by conflicts between rich and poor segments *within* countries, both rich and poor. Inequality drives protests in the streets of Portland as much as it does in Caracas. A containment strategy is predicated on the perpetuation of deeply unjust inequality; moreover, it will fail to keep out the social upheavals that grow from this inequality. And it promises humanitarian catastrophe for millions.

Given these realities and their moral consequences, the Implications for Action section below proposes that serious, structural-level reductions of global inequality must be at the foundation of government action, as we struggle through the pandemic and beyond.

## Managing global inequality across centuries

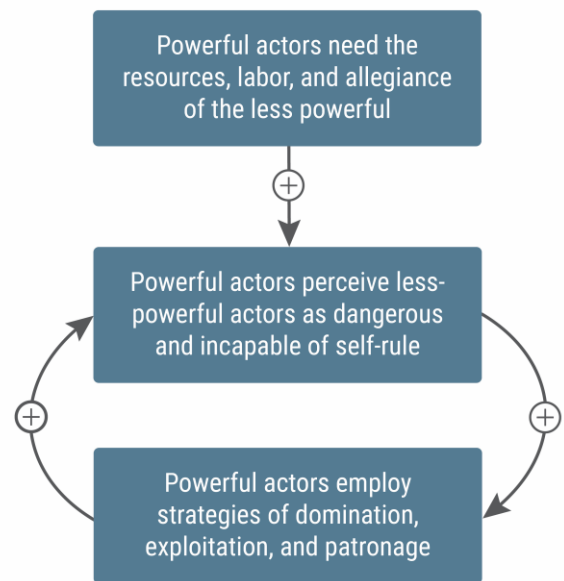
The coronavirus pandemic's unequal impacts around the world are not merely a result of bad luck. Instead, they arise significantly from the pandemic's interactions with a long—and morally fraught—history of exploitation and conflict between rich and poor countries.<sup>4</sup> The resulting inequalities—both international and transnational—steer the pandemic's uneven effects today. And the history of global inequality provides powerful actors with four well-established strategies from which to choose, as they try to cope with inequality during and after the COVID-19 pandemic.

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<sup>4</sup> For a more detailed discussion of this history, see: Lawrence 2019, pp. 201-232.

Rich, powerful actors *depend* upon the resources, labor, markets, and allegiances of less-powerful people. At the same time, the powerful *fear* that the disadvantaged—who are often perceived as a source of danger and instability—could staunch the flow of these goods and services through rebellion, war, disease, and other challenges. So powerful actors seek to manage and enforce relationships of domination and exploitation through such strategies as colonization, regime change, and social engineering. These strategies often backfire by instead *increasing* powerful actors’ perceptions of threat. Because the powerful simultaneously depend upon yet fear the underprivileged, they often inadvertently exacerbate their own insecurity (see Figure 2). This self-reinforcing dilemma was perhaps most visible in 19<sup>th</sup> century European colonialism and the informal empires of the Cold War (see Box 1), but it has continued to persist more subtly in the post-Cold War decades.

Figure 2: The self-reinforcing nature of global inequality



### Box 1: The Imperial Roots of Global Inequality

*Empire* is a relationship in which one polity controls by domination the external relations and internal governance of another polity or polities (Doyle 1986; Galtung 1971). During the nineteenth century, Europe fueled its industrial revolution and modernization by directly governing foreign lands and peoples to exploit their resources and labor (Pecjinovic 2013). Colonial powers felt constantly threatened by native revolt, and responded with enslavement, forcible resettlement, and often-genocidal violence (Moses 2008). Although most of these colonies gained national independence after the Second World War, both Cold War superpowers continued to depend on these nascent countries’ resources, labor, and allegiance. Because neither the United States nor the Soviet Union trusted post-colonial peoples to govern themselves (Westad 2007), however, the superpowers instead built *informal* empires by using military and economic aid to prop up client regimes in ostensibly independent countries. These client regimes suppressed perceived risks internally while accepting a subordinate place in the world economy (Duara 2011).

Though much less common, formal and informal imperialisms persist today as strategies for managing inequality. Colonialism clearly continues in China’s policy towards the Uighurs, Brazil’s exploitation of Indigenous territories in the Amazon, the Democratic Republic of Congo’s relationship to its Katanga provinces, Israel’s occupation of parts of Palestine, and the United States’ stance towards its unincorporated territorial possessions (including Puerto Rico, Guam, and Samoa). The Russian-backed secession of Crimea from the Ukraine evinces Cold War-era informal imperialism, while the misadventures of the US in Iraq and Afghanistan represent failures to build an informal empire.

The end of the Cold War created openings to pursue non-imperial strategies for managing global inequality. Rich countries still feared poorer ones as sources of wars, mass migration, disease, crime, terror, and all manner of instability associated with state failure (see Kaplan 1994, for example). On the premise that underdevelopment

was a source of insecurity for rich and poor alike, a surge of liberal internationalism beginning in the 1990s sought to *transform* “underdeveloped” countries into strong, liberal democratic states further integrated into the global economy (Duffield 2001; 2007).<sup>5</sup> This “societal transformation” strategy sought to ameliorate violence and insecurity by addressing the root causes of these problems, including inequality.

Many such efforts fostered peace and helped the most vulnerable—achievements often underappreciated (Goldstein 2012). But the efforts were also often paternalistic, characterized by assumptions of liberal universalism, ignorance of context (culture, history, and power dynamics), and the elevation of donor priorities over local aspirations.<sup>6</sup> Neoliberal structural adjustment programs of deregulation and state withdrawal from domestic markets and investment, in particular, undermined peacebuilding and state-building efforts, hurt the most vulnerable, and preserved the structural inequality of the global economy by keeping poor economies subordinate to rich interests (Millar 2019; de Soto and Castillo 2016; Ostry et al. 2016; Cooper et al. 2011; Paris 2004).

Consequently, liberal internationalism has often disappointed, and many powerful countries have now tempered their ambitions. Rather than *transforming* societies along liberal lines, they have increasingly turned to the acute application of force to *contain* instability outside of privileged areas and to eliminate those groups and individuals deemed most pernicious. Measures include special forces missions, drone strikes, use of private security companies, the construction of border fences and walls, and the application of advanced border technologies. Now, United Nations’ peace operations in places like the Democratic Republic of Congo, Mali, and Central African Republic find scant peace to keep; they engage instead in war fighting (or “peace enforcement”) against those armed groups regarded as beyond the pale of negotiation (UN 2015; de Coning and Peter 2019).

Conflict expert Paul Rogers (2017, p. 173) concludes: “Boots on the ground may have been replaced by remote-control warfare, but the solution is seen in Western security circles almost entirely as the use of intense and persistent military force, with little attention paid to the underlying reasons why the wars have developed.” This approach, he continues, “appears more and more to be a case of keeping the lid on, rather than turning down the heat.” Climate change will deepen the international divide, if it compels rich countries to further barricade themselves and to leave the rest of humanity to suffer warming’s worst effects. The UN Human Rights Council (UNHRC 2019, p. 14) calls this “a climate apartheid scenario.”

In the years before the COVID-19 pandemic, rich countries increasingly adopted a containment strategy towards the world’s most disadvantaged to shield themselves from threats they associate with inequality and poverty. This reaction could become even stronger in response to the pandemic, given the virus’s global mobility, the radically unequal distribution of the pandemic’s harms, and rich countries’ soaring national debt.

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<sup>5</sup> These social engineering projects carry such labels as peace operations, international peacebuilding, stability and reconstruction efforts, humanitarian intervention, structural adjustment programs, security sector reform, and other programs of institution building.

<sup>6</sup> Indeed, peacebuilding expert Roland Paris (2002) notes that the transformational aspirations of liberal internationalism echo the “civilizing mission” of 19<sup>th</sup> century imperialism in their attempt to bring Western standards to “barbaric” parts of the world.

International inequality between rich and poor nations, however, remains only half the picture. Decades of neoliberal globalization have created an increasingly *transnational* divide between the privileged and underprivileged segments of rich and poor countries alike. The 19<sup>th</sup> century marked the first time in history that the inequality *between* polities surpassed inequality *within* polities, as European empires divided the world into a core of powerful, industrial states, and a periphery of dominated, primary commodity producing areas (Davis 2002, p. 16; Buzan and Lawson 2015, p. 9; Wallerstein 2004). But the trend has recently reversed, so that inequality within countries once again exceeds inequality between them (Milanovic 2016). And if we treat humanity as a single group, inequality in the human population as a whole has risen to a level never before seen in any country (as measured by a GINI coefficient of 0.70; see Bourguignon 2016).<sup>7</sup>

The relationship between the coronavirus pandemic and global inequality involves both the international and transnational dimensions of that inequality. The Analysis section below considers these two facets in turn. Containment measures applied at national borders have domestic counterparts that operate inside countries to fortify privileged segments of the population from vulnerable segments, even as the two live in close proximity.

While international containment efforts risk producing spiraling humanitarian catastrophes in poor countries that will, ultimately, defeat those very efforts, containment measures applied *within* rich countries could produce similar upheavals in rich countries, especially as the pandemic escalates transnational inequalities. We must reject such a strategy in both settings.

## Analysis: COVID-19 and humanitarian crisis

### Coronavirus and humanitarian crisis in poor countries

The COVID-19 pandemic is now well entrenched in most poorer countries, but its future growth is nearly impossible to predict. In many cases, the official tally of documented cases remains low, but these figures sometimes reflect limited capacity for testing and reporting—or even outright suppression of results.<sup>8</sup> A recent study of the 86 countries that *do* have reliable testing data (encompassing 4.76 billion people)<sup>9</sup> found that for each COVID-19 case identified, 10.5 go undetected, and for every two deaths linked to the virus, a third virus death is misattributed to other causes (Rahmandad et al. 2020). At these rates of underreporting, 108 million cases of COVID-19 went undetected and about 224,000 more people died by the virus than officially recorded by July 2020. Absent a breakthrough on vaccines and treatment, and at current rates of testing and risk behavior, the authors project that the 86 countries under study will suffer a cumulative case rate of 1.48 billion by March 2021, including 885 million cases in India, 115 million in Pakistan, 51 million in Bangladesh, and 47 million in the

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<sup>7</sup> While much has been made of the economic inequality between the richest one percent of the global population and the rest of humanity, the economic, social, and moral consequences of transnational inequality are more significant. The most privileged fifth of the global population controls 80 to 90 percent of total global wealth (Rogers 2017, pp. 180-181).

<sup>8</sup> For this reason, many poorer countries are not included in Figure 1 above.

<sup>9</sup> The study notably excludes China and Brazil due to the unreliability of their data.

United States (*ibid*, pp. 5-6; note that scenarios with higher testing rates and safer behaviors reduce these projections significantly).

The pandemic’s economic impact in poor countries is not adequately captured in official statistics, because those most vulnerable to the virus work predominantly in the *informal* economy (BIS 2020, p. 6). But clearly the healthcare systems of these countries are vastly overstretched. What scant fiscal slack they had before the pandemic has been further diminished by virus-related declines of commodity prices, export earnings, remittances, and foreign direct investment (ILO 2020, p. 14). In short, in the poorest countries of the world, the pandemic shock will generate humanitarian crises and reverse progress on Sustainable Development Goals (SDGs) for years to come.<sup>10</sup> The damage will be amplified considerably if richer nations adopt the containment strategy and scale back their international assistance to concentrate on domestic affairs. Figure 3 charts the causal pathways by which COVID-19 may (and most likely will) produce such humanitarian crises and derail progress on SDGs in poor countries.

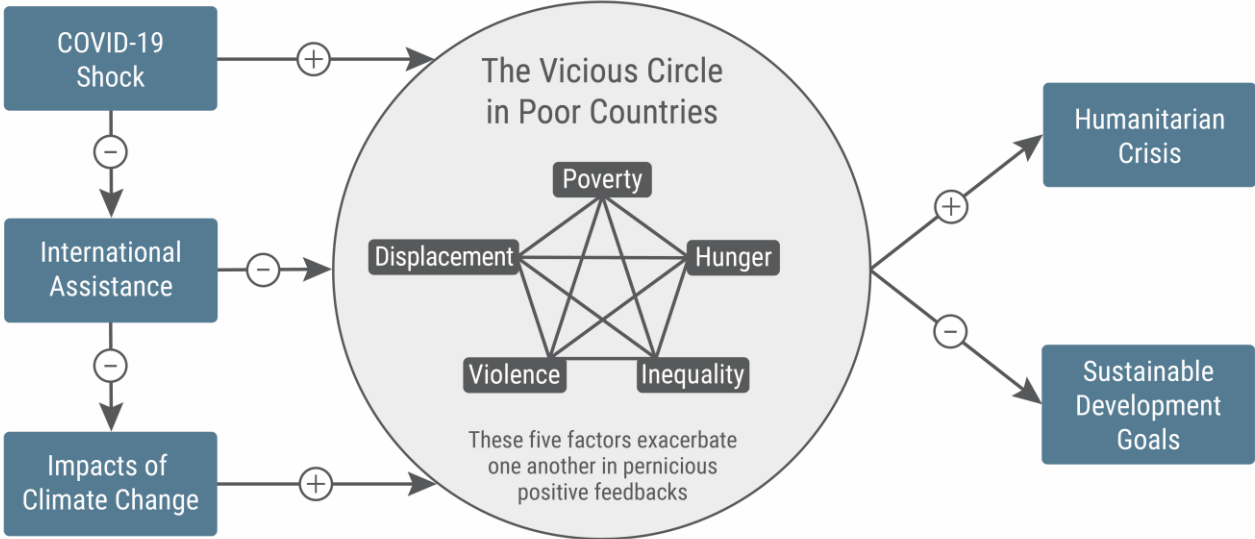


Figure 3: Causal pathways between COVID-19 and humanitarian crisis in poor countries

**Explanation of Figure 3:**

At the core of the diagram, poverty, hunger, inequality, violence, and displacement exacerbate one another in positive feedbacks. The pandemic shock (top left) increases the likelihood of this vicious circle, while simultaneously decreasing international assistance, which also worsens the core cycle. Decreases of international assistance increase climate change’s impacts, further aggravating the vicious circle. As these feedbacks escalate, humanitarian crises become more severe, and progress on the Sustainable Development Goals declines. (A plus sign indicates that the values of two factors connected by an arrow increase or decrease together; a minus sign indicates the values change in opposite directions.)

<sup>10</sup> The United Nations sets out 17 Sustainable Development Goals at: [http://www.undp.org/content/seoul\\_policy\\_center/en/home/sustainable-development-goals.html](http://www.undp.org/content/seoul_policy_center/en/home/sustainable-development-goals.html).



The COVID-19 pandemic directly affects the five factors in the “vicious circle” depicted in the middle of Figure 3, wherein poverty, hunger, inequality, violence, and displacement exacerbate one another in pernicious positive feedback loops. But some of the virus’s most profound and lasting effects will arise indirectly through its impact on international assistance. The pandemic and global lockdown have already limited humanitarian aid flows, reduced the international community’s ability to manage crises, constrained peace operations, and disrupted development programs. As COVID-19 and its costs continue to soar in rich countries, their leaders will feel further compelled to direct their energies and resources domestically. Such an inward turn, however, puts in immediate jeopardy the peace talks in Afghanistan, a ceasefire in Libya, and South Sudan’s transition to civilian rule, among other crucial impacts (ICG 2020a, pp. 5-7). More broadly, lower international attention to poor and conflict-affected countries today will ensure new and worsened humanitarian catastrophes for years to come. And the international community’s marked lack of cooperation around the pandemic portends badly for the future of multilateralism and coordinated world action at a time when both are essential to fight climate change.

The paragraphs below explain COVID-19’s causal role and highlight key interactions between these five factors that will increase both the likelihood and severity of humanitarian catastrophe. Table 1 (further below) lists some of the countries most affected.

- 1) **Poverty:** The economic fallout of the pandemic is on track to push 424 million people into poverty, including 71 million people who will become severely impoverished.<sup>11</sup> If the global economy contracts by 8 percent (rather than the presently projected 4.9 percent), these figures rise to 566 million and 101 million, respectively (Mahler et al. 2020). Market closures, lockdowns, and mobility restrictions implemented to fight COVID-19 have acute and immediate effects on informal workers who are unable to work remotely, cannot safely distance themselves, and have long suffered from economic insecurity (ILO 2020: pp. 3). In India, for example, an estimated 90 million workers—mostly the small traders and wage labourers of the informal sector—lost their jobs as a result of the country’s lockdown (BIS 2020, p. 6). An estimated 1.6 billion informal workers have been significantly affected by the pandemic’s fallout (OCHA 2020, p. 36). Although the world has spent over US\$10 trillion in fiscal stimulus and emergency assistance, 88 percent of this aid remains in rich countries (ILO 2020, p. 13). Low- and middle-income countries do not have the fiscal capacity to provide the relief and social safety nets of their wealthier counterparts. The unfolding global recession will cause the world’s poverty rates to increase for the first time since 1998 and imperil the progress made against extreme poverty over the last three decades (IMF 2020; World Bank 2020).
- 2) **Hunger:** The coronavirus pandemic is worsening world hunger in several ways. People have lost income, and those who depend on food imports are also coping with fewer shipments and higher prices. Countries dependent on primary commodity exports and tourism face the additional problem of foreign exchange shortages due to these sectors’ contraction. Finally, border closures, mobility restrictions, labor shortages, and the rising costs of key inputs, such as seeds, fertilizer, and pesticides have disrupted food supply chains. Two-hundred-and-seventy million people may face starvation by the end of 2020, an

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<sup>11</sup> “Poverty” entails living on less than US\$ 5.50 per day. “Extreme poverty” entails living on less than US\$ 1.90 per day.

82 percent increase over pre-COVID-19 levels (OCHA 2020, p. 39). By that time, 6,000 to 12,000 people could die each day from pandemic-induced hunger, which may by then exceed direct coronavirus deaths (Oxfam 2020). It is worth remembering that rising food prices were one of the major grievances that triggered the Arab Spring in 2011, which led to regime changes and violent counterrevolutions that continue to devastate the region.

- 3) **Inequality:** Widening inequality is the unfortunate corollary of growing poverty and deepening hunger. Over the past half-century, countries suffering pandemics experienced, on average, a nearly 1.5 point increase of their GINI coefficients in the five years after the crisis (Furceri et al. 2020). The COVID-19 pandemic may open even wider cleavages, because it disproportionately affects groups that were systemically disadvantaged before the pandemic struck, including women, youth, low-skilled labor, impoverished households, and informal workers (ILO 2020). Unemployment, increasing debt, illness, and disrupted education will affect the poor most deeply and create an even starker divergence of life chances.
- 4) **Violence:** While COVID-19 does not cause conflict directly, the impacts listed above are all known to exacerbate violence. The decline of international assistance will allow many violent conflicts to grow and new conflagrations to emerge. The interruption of humanitarian aid will compound their harm. Poverty, unemployment, hunger, and inequality will drive scores of young people into armed groups. As under-resourced security forces contend with the pandemic, non-state armed groups are expanding their control over populations and territories (FAO and WFP 2020, p. 7). Jihadists have exploited the tumult of the pandemic to grow in the Sahel and expand into West Africa (*Economist* 2020b). Finally, coronavirus has increased xenophobia worldwide against migrants and other “outsider” groups perceived to spread the pandemic or amplify its economic damage, providing easy scapegoats to opportunistic politicians and extremist groups (York 2020, *Economist* 2020c).
- 5) **Displacement:** The world’s 300 million migrants, refugees, internally displaced, and stateless people are among the most vulnerable to COVID-19 because they are generally unable to take precautionary measures or access health care (OCHA 2020, pp. 56-57). Lockdowns have trapped many in transit, while others are crowded into camps where social distancing is practically impossible. In India, the government’s sudden two-month lockdown left millions of migrant workers stranded in major cities with the country’s highest infection rates; without income and often facing starvation, many defied the lockdown and walked back to their rural villages, sometimes over distances of thousands of kilometers, frequently carrying the coronavirus with them (*Economist* 2020a). The Red Cross and Red Crescent expect infections in South Asia to soar over the coming months and weeks (Red Crescent 2020a).

The pandemic and its fallout, especially violent criminality and civil unrest, cause displacement, and this displacement further spreads the virus. Poverty, hunger, inequality, and violence push migrants to seek better lives in wealthier countries that are yet reticent to host them. More people are attempting to cross the Mediterranean from North Africa to Europe, where June saw 20 percent more deaths than the same month in 2019 (Red Crescent 2020b).

The countries most susceptible to these five factors are also the countries most vulnerable to climate change. Up to 183 million additional people may face hunger by 2050 as a result of climate change (Oxfam 2020, p. 6, based on IPCC estimates). The rapidly worsening hunger crisis in East Africa—in Somalia, Ethiopia, Kenya, and Uganda—demonstrates how the impacts of climate change exacerbate vicious cycles in poor countries. Earlier in 2020, abnormally heavy rains swept away many crops and created an ideal breeding environment for locusts, which then ravaged the remaining produce. Armed groups are taking advantage of the devastation. At the same time, coronavirus infections are exploding just as these countries enter a season of constrained food production, hurricanes, and monsoons (OCHA 2020, p. 39).

Oxfam: 10 extreme hunger hotspots	International Crisis Group (2020b): spring watch list of crises and conflicts	INFORM COVID-19 risk index: highest risk countries
<ul style="list-style-type: none"> <li>• Yemen</li> <li>• Democratic Republic of Congo</li> <li>• Afghanistan</li> <li>• Venezuela</li> <li>• West African Sahel (Burkina Faso, Mali, Mauritania, Niger, Chad, Senegal, and Nigeria)</li> <li>• Ethiopia</li> <li>• Sudan</li> <li>• South Sudan</li> <li>• Syria</li> <li>• Haiti</li> </ul>	<ul style="list-style-type: none"> <li>• Cote d’Ivoire</li> <li>• Myanmar (Rakhine State)</li> <li>• Syria (North)</li> <li>• Yemen</li> <li>• Venezuela</li> </ul>	<ul style="list-style-type: none"> <li>• Central African Republic</li> <li>• Somalia</li> <li>• South Sudan</li> <li>• Chad</li> <li>• Afghanistan</li> <li>• Democratic Republic of Congo</li> <li>• Haiti</li> <li>• Burundi</li> </ul>

Table 1: Countries at highest risk of humanitarian crisis amidst the COVID-19 pandemic

Coronavirus and transnational inequality

The international divide between rich and poor countries persists today, but global inequality increasingly transects national borders. The gulf is readily visible in many of the world’s major cities where the wealthy beneficiaries of globalization live in tight proximity to, yet are fortified from, expansive slums of dispossessed people, segregated by means of barriers, security guards, surveillance, and very different policing practices—the containment measures of the urban scale (Rodgers 2007; Sassen 2013; Felbab-Brown 2014). And the COVID-19 pandemic has further exacerbated inequality within nations. The billionaires of the United States, for example, have cumulatively increased their net worth by \$637 billion during the pandemic, while more than 40 million Americans filed for unemployment in its first few months (Woods 2020).

The pandemic has laid bare the structural inequalities of rich and poor nations alike, as it has disproportionately afflicted the most vulnerable people with higher infection rates, greater exposure to risk, sustained unemployment, and financial crisis. Those workers deemed “essential” during the pandemic—such as truck drivers, store clerks, food producers, and cleaners—are often also the most economically vulnerable and marginalized populations in society (Dalby 2020). Disaffection with government action and inaction has become so acute that such simple measures as mask mandates have become lightning rods for ideological conflict. Table 2 lists the COVID-19-related protests documented by the Carnegie Endowment for International Peace’s Global Protest Tracker.<sup>12</sup>

Country:	Participants:	Date:	Duration:
Protests against governments for taking “inadequate” action against the pandemic			
Brazil	>1000	March 2020	Active
Colombia	>100	March 2020	Active
Argentina	>1000	April 2020	1 day
Protests against governments for taking “excessive” action against the pandemic			
Israel	2000	March 2020	Active
United States	>10 000	April 2020	Active
Germany	>1000	April 2020	1 month
India	>1000	April 2020	1 day
Russia	2000	April 2020	1 day
Spain	>1000	May 2020	1 day
Ecuador	4000	May 2020	1 day
Serbia	>10 000	July 2020	Active
Protests against vulnerability to the pandemic in prisons			
Colombia	Unknown	March 2020	1 day
Italy	Unknown	March 2020	1 day
Lebanon	Unknown	March 2020	1 day
United States	>700	April 2020	1 day

Table 2: COVID-19-related protests around the world<sup>13</sup>

<sup>12</sup> The Global Protest Tracker is available at: <https://carnegieendowment.org/publications/interactive/protest-tracker>. Accessed on August 17, 2020.

<sup>13</sup> This chart sorts the Protest Tracker list into instances of protest in response to governments taking inadequate action, in response to governments taking excessive action, and in prisons; but protests always have multiple motivations, so these categorizations remain somewhat arbitrary.

The impacts of COVID-19 on equality will become even more severe in the coming months and years as youth suffer the long-term effects of deepened structural unemployment, vulnerable groups face a wave of bankruptcies and evictions, and governments are constrained by burgeoning debts. As the World Economic Forum (2020, p. 36) warns, “Generation Great Lockdown is at risk of becoming the next lost generation.”

Around the world, these impacts—and the widespread apprehension of their devastating and unjust effects—are also reinforcing people’s growing consciousness of societies’ multiple, compounding, and deeply entrenched inequalities, and in turn they are galvanizing demands for more equitable societies. The pandemic’s shock to economies and people’s lives has intersected with an ongoing series of transnational protest movements against inequality, including Occupy Wall Street, Black Lives Matter, solidarity with Indigenous groups, and activism against risky fossil fuel projects. The murder of George Floyd in late May amplified this intersection’s effects: it occurred near the height of the lockdown, as billions of people around the world were spending much of their time at home and online. Huge protests against systemic racism and police brutality then occurred in over 350 American cities and more than 100 cities around the world—from Paris to Pretoria, Milan to Monrovia, Jena to Jerusalem, and Calgary to Kolkata (Haddad 2020a; 2020b).

Severe inequality does not stop at national borders. It exists among countries and within their borders, too, whether they are rich or poor. And just as a containment strategy is likely to generate spiraling humanitarian crises abroad, its internal application will risk disaster and upheaval at home. Coupled with the impacts of COVID-19, such a strategy will increase the risk in rich countries of the vicious cycles typically associated with poor countries, even though the governments of wealthy nations are, in theory, better equipped to remediate such calamities. The crises of inequality that a containment strategy tries to blockade at national borders are already boiling over in rich countries’ streets. Violent repression as recently seen in Portland is only adding fuel to the problem. Our present situation demands real progress towards equity and social justice, for reasons both pragmatic and moral.

## Implications for action

Each of the four strategies for managing global inequality described above—formal empire, informal empire, societal transformation, and global containment—remains an option today; but they vary in their feasibility and appeal. In the language of complexity science, together they constitute *basins of attraction* in a *stability landscape*.

A stability landscape is a visual metaphor that depicts a system’s range of possible stable states as depressions, or “basins,” on an uneven topography.<sup>14</sup> In this case, the entire landscape represents the full range of possible policy strategies (for managing global inequality) of wealthy countries towards poorer ones. The above-discussed four strategies, this Brief proposes, are likely to be stable—i.e., located with basins on the landscape.

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<sup>14</sup> For more detailed accounts of stability landscapes, see: Scheffer 2009, pp. 11-36; Walker et al. 2004; Folke et al. 2010.

Each strategy can be imagined as a ball in the bottom of its basin; the ball can be jostled uphill by changing circumstances, such as an economic crisis or a pandemic shock, but “gravity” (a metaphor representing forces that can range from cognitive and organizational inertia to the political lobbying of vested interests) tends to pull it back down to the bottom of the basin. The deeper the basin, the more likely the ball will remain within it. If the disruption is strong enough, however, the ball may be knocked from one basin into another, signifying that the strategy’s basic parameters have suddenly shifted.

The stability landscape depicted in Figure 4 depicts as basins of attraction the four strategies by which powerful actors attempt to manage global inequality. The red ball represents the state of the system, which can be pushed over the peaks from one basin (that is, one strategy) to another. The “COVID-19 Shock” arrow indicates that the pandemic has pushed the system further into the global containment basin. The boxes below the basins specify the historical changes that have rendered the first three basins shallower—which made, in other words, those basins’ respective strategies less appealing—and the two countervailing forces now affecting the fourth “Global Containment” basin. On the one hand, global containment is attractive (and therefore its basin is deep) because of its apparent low cost, light footprint, and limited ambitions; on the other hand, global containment is unsustainable (and therefore its basin will become shallower) because it will multiply humanitarian crises with uncontrollable effects. The tension between these opposite forces will be a defining feature of national and global politics going forward. The dotted extension on the far right, finally, represents the possibility of a fifth, yet untried strategy.

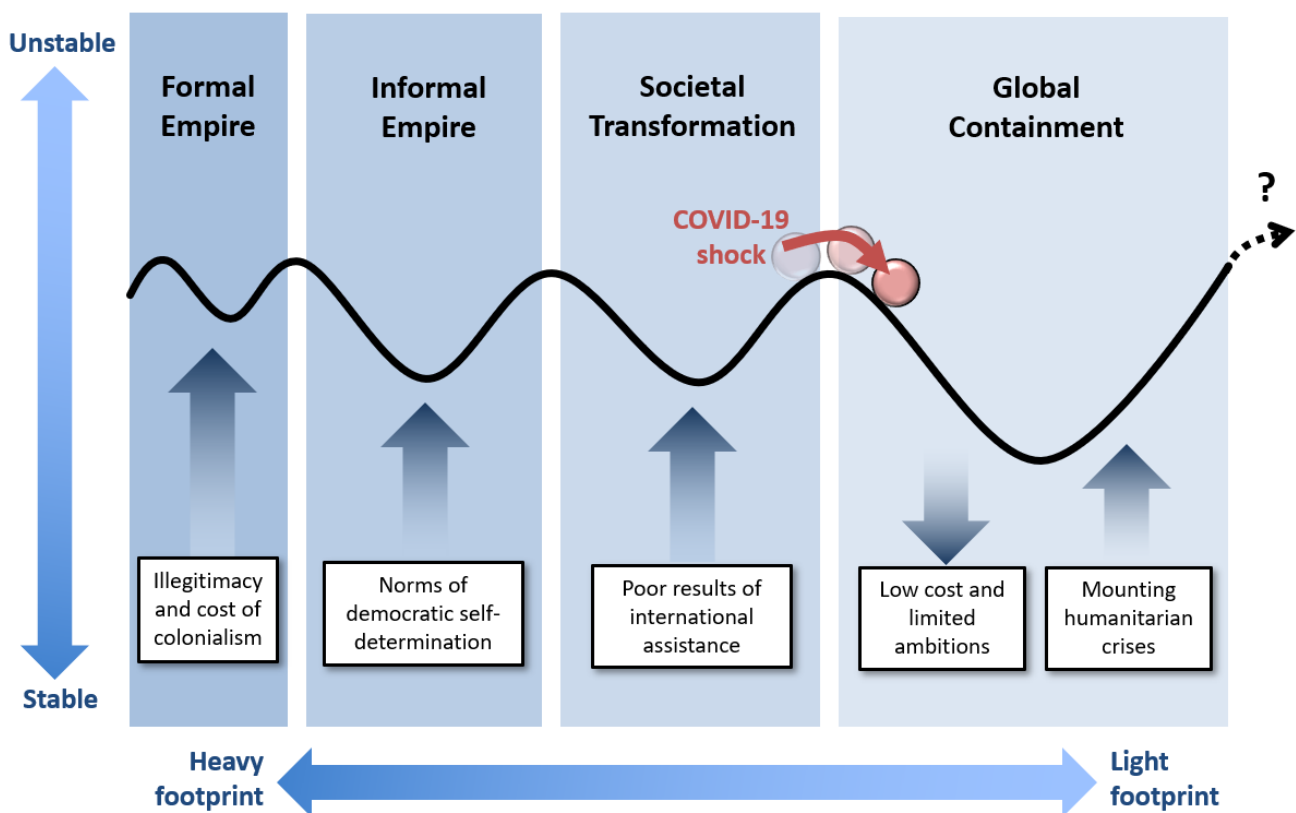


Figure 4: Basins of attraction in the management of global inequality

Many political leaders and members of the public are likely to find the global containment strategy most appealing as we move through the COVID-19 pandemic and beyond. The strategy's underlying instinct is to build walls and barriers to keep out the instabilities associated with the less fortunate, and thereby hold the dangers of global inequality at bay. This Brief has argued that such a strategy will leave the world—rich and poor—even worse off, and it should therefore be rejected.

First, as discussed in the Background section above, global inequality and the global containment strategy both stem from a long history of domination, exploitation, and violence that is morally fraught. It is difficult *not* to see an ethical obligation on the part of privileged peoples to break from this past and right historical wrongs, even if the proper extent of the obligation remains debatable.

Second, the “self-reinforcing” logic behind the management of global inequality (depicted in Figure 2) is also a *self-defeating* one. The strategies used by beneficiaries of inequality assume the underprivileged are dangerous and deficient, prompting further defensive measures that only reinforce this perception of threat. If the world's powerful actors started instead from principles of equal agency, dignity, and aspirations for all peoples, they could begin to change the underlying logic of interaction between rich and poor, and between powerful and weak, from one of menace and conflict to one of cooperation and mutual respect in pursuit of greater equality.

Third, the pandemic and consequent drop of international assistance will intensify vicious cycles in poorer countries, the effects of which will cascade throughout the world. The more that wealthy countries try to seal themselves off from the instabilities of poorer ones, the more disastrous and expansive such disasters are likely to become. Even if globalization reverses significantly in the coming years, wealthy countries will continue to depend upon the resources and labor of poorer ones; production, supply chains, and movements of labor will continue to span borders. Powerful actors can improve the stability and long-term viability of such interdependence by promoting global equality rather than by deepening inequity.

Finally, containment will not work because global inequalities are growing *within* countries, not just between them. The dangers some may seek to stop at the border are already exploding inside those borders. Global protests over systemic racism are a vivid reminder that conflicts over structural inequalities will not be contained in the absence of profound institutional reforms that achieve greater equity.

The pandemic's effects will linger for a long time. Isolation and disengagement are not viable responses. The only sustainable and ethical way forward is to reduce global inequality in all its forms. With this in mind:

**Governments and their peoples should see the pandemic as an impetus and opportunity to seriously remediate inequality.** They should mount the necessary domestic reforms as well as reconsider the relationship between rich and poor countries. The Institute for Policy Studies (Collins et al. 2020) recommends several policies to this end, including international cooperation against tax evasion and hidden wealth, an emergency tax on high-wealth individuals, and stimulus funding to charities. Without such actions, inequality will exacerbate future challenges, particularly climate change.

**Wealthy countries and international organizations should pursue debt reductions and debt cancellations for struggling governments.** The G20 has already implemented a temporary debt service relief for 73 indebted countries, but this is an insufficient, short-term fix. Poorer countries will not be able to cope with the pandemic and improve the well-being of their citizens at the same time, when considerable portions of their budgets continue to go to debt servicing (see Bezanson 2020).

**Rich countries should make immediate pledges to the United Nations Secretary General’s appeal to avert humanitarian disaster in poorer parts of the world.** The call for US\$ 10.3 billion is the largest in the organization’s history, but just a tiny fraction—about 0.1 percent—of the \$10 trillion that has already been spent on domestic emergency measures during the pandemic.

**All countries should resume (and expand) international cooperation on humanitarian aid, development support, and peace operations,** as soon as possible, to the utmost extent that the pandemic allows. By rejecting the global containment strategy, the international community should not attempt to return to the liberal internationalism of the post-Cold War era, for the reasons presented in the Background section above. Progress requires not just increased international assistance, but the reformulation of this assistance’s principles, so that it is more equitable in its effects, more responsive to local aspirations, and more inclusive of diverse actors and perspectives. The details of such an approach are beyond the scope of this Brief. But they must grow from mutual respect, open-mindedness, and cooperation between privileged and underprivileged voices.

With such actions, the coronavirus pandemic could be the shock that finally reverses the trend towards worsening global inequality. Without such actions, that inequality will continue to multiply the harms of the pandemic and lead us into even greater catastrophe.



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