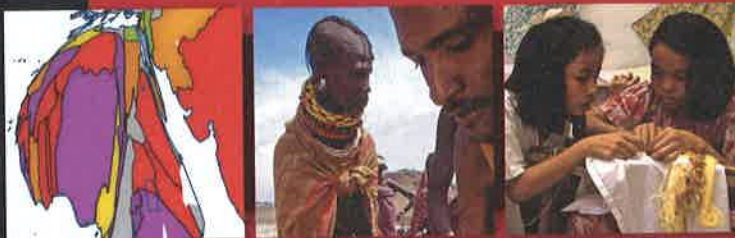


There's More Online!

- ✓ GRAPH Global Stratification
- ✓ GRAPHIC ORGANIZER Layers of American Class Structure Global Stratification
- ✓ IMAGE Developing World
- ✓ MAP Chronic Poverty
- ✓ SELF-CHECK QUIZ



LESSON 4

Global Stratification

ESSENTIAL QUESTIONS • What is "equality"? • To what extent are societies unequal?

Reading HELPDESK



Academic Vocabulary

- industry
- indicator

Content Vocabulary

- global stratification
- standard of living
- industrialization
- globalization

TAKING NOTES:

Key Ideas and Details

ORGANIZING As you read, use a graphic organizer like the one below to identify the layers of global stratification.

Global Stratification			
	Income	Example	Brief Description
High-income countries			
Middle-income countries			
Low-income countries			

IT MATTERS BECAUSE

Thinking on a global scale, inequality seems less about what social class you occupy than about what place on the globe you occupy. According to various measures, the top 20 percent of nations has more than 60 percent of the world's wealth. The bottom 20 percent has only 3 percent of the world's wealth.

High-Income Countries

GUIDING QUESTION What are the characteristics of high-income countries?

Global stratification is the unequal distribution of wealth, power, and resources among the countries of the world. World systems theory holds that relationships among nations is based on inequality. The earliest nations to develop capitalist economies came to dominate other countries and in the process impeded their economic development.

People have used various terms to classify nations. Terms like "first world" and "third world" or "developed nations" and "developing nations" have fallen out of favor. Instead, experts classify nations first and foremost according to income. The World Bank, for example, uses the categories high-income, upper-middle income, lower-middle income, and lower income. One approximate measure of income is Gross National Income (GNI) per capita. GNI per capita is the total annual income earned by the people of a country divided by the number of people. This measure provides a snapshot of a society's economic well-being.

High-income nations have a GNI per capita of \$12,276 or higher. Such wealth gives a population access to resources that help define a high standard of living. **Standard of living** refers to the necessities, comforts, and luxuries people in a society enjoy. It includes not only material wealth but factors such as education, health, life expectancy, and gender equality.

The United States is a high-income nation. Its 2010 GNI per capita was \$47,310. Other high-income nations include countries such as Australia, Bahrain, Canada, the Czech Republic, Germany, Japan, Norway, the United Arab Emirates, and the United Kingdom. Stratification may and does occur within these nations, but compared to other nations, they enjoy a high standard of living.

High-income nations are modern, urban, and industrialized. **Industrialization** is the movement from an economy based on agriculture to one based on manufacturing. The process of industrialization modernizes society. It moves people into cities. Industrialization goes hand in hand with the development of science and technology.

Industrialization first began in Britain in the eighteenth century, launching what historians call the Industrial Revolution. The growth of **industry** created a need for increased amounts of materials, such as iron and steel, and for new energy sources, such as coal, steam, electricity, and petroleum. Energy was needed not only to produce goods but to move them from place to place. The development of industry led to the invention of new technologies and the growth of communication and transportation networks.

Industrialization brought about big changes to society. A working class of laborers developed along with a middle class of business owners. This created a need for greater literacy and formal education in areas such as science. Compared to agrarian societies, industrialized societies have a lower level of social inequality despite extremes of wealth and poverty. Industrialization also affects inequality across the globe, as you will learn later in this lesson.

✓ READING PROGRESS CHECK

Identifying What are the traits of high-income countries?

global stratification

the unequal distribution of wealth, power, and resources among the countries of the world

standard of living the necessities, comforts, and luxuries enjoyed by an individual or group

industrialization the movement from an economy based on agriculture to one based on manufacturing

industry a group of productive enterprises or organizations that produce or supply goods or services

Applying Sociology

NONGOVERNMENTAL ORGANIZATIONS

Nongovernmental organizations (NGOs) are nonprofit groups that work to solve public issues. NGOs work:

- at the local, national, or international level.
- to raise government awareness of public concerns.
- with other groups that share common concerns.
- to follow the progress of programs that they have initiated.
- to support humanitarian needs.
- to help guide government reform and policy at all levels.
- to engage community support and involvement.

NGOs employ sociologists to research and analyze issues. Sociologists conduct field studies and research and then present their findings and reports. In turn, the results of their work can be used to help support ideas for reform and guide government policy. Oxfam International, for example, is an NGO confederation of more than a dozen organizations that work together to end global poverty and injustice. Oxfam aims to empower people who live in poverty so that they will be able to improve their lives. Oxfam also provides emergency relief.

▶ CRITICAL THINKING

1. **Evaluating** Evaluate the importance of sociological work for NGOs.
2. **Researching** Research a sociology position at an NGO. Make a list of the qualifications and skills that the job requires and compare them to the skills and work described in the passage above.

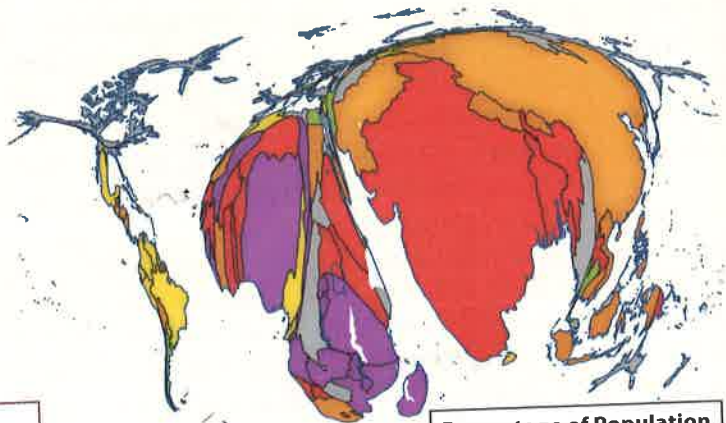


Many NGOs do humanitarian work.

A Global Perspective

CHRONIC POVERTY

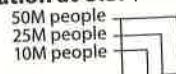
A cartogram is a type of map and chart combined. It expresses data by relative size. For example, on this cartogram, India's size is at a larger proportion than it actually is geographically because so much of its total population lives in poverty compared to other nations. Iraq, which is a relatively small nation in terms of geographic size and population, also appears larger here than it is because a vast majority of its population is chronically deprived.



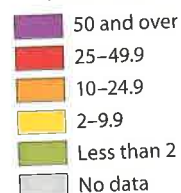
Geography Connection

- 1. Places and Regions** In what world regions is poverty chronic?
- 2. The World in Spatial Terms** About how much of the world suffers from chronic poverty? Which hemispheres are most affected by poverty?

Population at U.S. \$1.25/day



Percentage of Population Living in Poverty (U.S. \$1.25)



SOURCE: PovcalNet: the on-line tool for poverty measurement developed by the Development Research Group of the World Bank.

Middle-Income Countries

GUIDING QUESTION What are the characteristics of middle-income countries?

Slightly more than half of the countries in the world (51 percent) are middle income. Middle-income countries are divided into upper-middle income countries and lower-middle income countries. Upper-middle-income countries have a GNI per capita between \$12,275 and \$3,976. They include countries such as Albania, Algeria, Belarus, Botswana, Brazil, Cuba, the Dominican Republic, Gabon, Jamaica, Libya, Mexico, Romania, the Russian Federation, South Africa, Turkey, and Venezuela. Lower-middle-income countries have a GNI per capita between \$3,975 and \$1,006. They include countries such as Armenia, Belize, Cameroon, Djibouti, El Salvador, Georgia, India, Iraq, Mongolia, Pakistan, Nigeria, Ukraine, Vietnam, and Yemen.

The income and living standards of the middle class of the United States vary greatly. The same can be said about the income and living standards of middle-income countries. (Note that the upper income limit for middle-income countries is nearly 12 times greater than the lower income limit.) As more nations are elevated from low-income to middle-income status, middle-income countries are seeing a larger share of the world's poor. In fact, nearly three-quarters of the world's poor live in middle-income countries. (The global poverty line is defined as living on less than \$1.25 per day.)

Nations such as India, Pakistan, Indonesia, and Nigeria have seen a rise in GNI per capita in recent years, moving them into the middle-income category.

Large wealth gaps in these countries mean that millions of the poor have become part of the middle-income group of nations, however. India, with a population of 1.2 billion, accounts for one-third of the world's poor.

It is exceedingly difficult to talk about the average standard of living in middle-income countries. Take India as an example again. Since the mid-to-late 1990s, India's economy has grown very rapidly. Most of this growth has been in the service industries, and India is now a major exporter of information technology and software services. These changes have largely taken place in India's cities, however. Despite this modernizing success, around 70 percent of Indians live in villages and follow more traditional lifestyles. More than half the population depends on agriculture for its livelihood. The caste system still plays a major role in determining people's lifestyles, too. There are 1.6 million Indian millionaires, but 700 million Indians live on \$2 per day or less.

READING PROGRESS CHECK

Explaining Why is it difficult to generalize about middle-income countries?

Low-Income Countries

GUIDING QUESTION *What are the characteristics of low-income countries?*

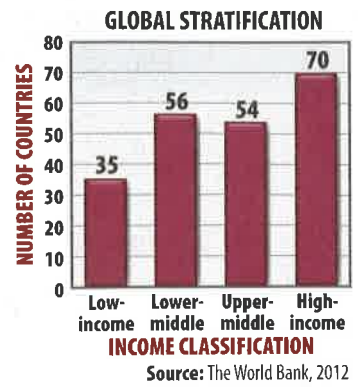
Low-income countries have a GNI per capita of \$1,005 or less. As of 2012, 35 countries fell into this category. They included countries such as Afghanistan, Bangladesh, Cambodia, Chad, Ethiopia, Haiti, Kenya, North Korea, Malawi, Myanmar (Burma), Nepal, Somalia, Tajikistan, Tanzania, and Uganda.

As mentioned earlier, income alone does not give the full picture of standard of living. When measuring poverty, experts turn to other **indicators**, or gauges. The most useful are those called human-development indicators. These indicators relate to the quality of life, such as infant mortality rate, percentage of children who are underweight, life expectancy, access to contraception, literacy, gender equality, public dollars spent on health per person, and access to clean drinking water.

As you can imagine, these poorest nations rank low in human-development indicators. In Afghanistan, for example, one-third of children are underweight, and life expectancy is only 44 years. Compare that to the United States, where 1 percent of children are underweight and life expectancy is 78.

Sociologists have come up with several explanations as to why some countries are mired in poverty. Structural functionalists maintain that some countries are poverty-stricken because they failed to modernize. So-called modernization theory holds that values of traditional societies prevent the nations from developing economically.

Other sociologists put forth the notion that many poor nations are poor because they are economically dominated by the industrialized countries. This relationship began in the colonial era when wealthy and powerful nations took control of undeveloped countries to extract their natural resources.



GRAPH

CRITICAL THINKING

- Comparing** How does the number of low-income countries compare to the number of high-income countries?
- Analyzing Visuals** How many countries have a high income?

indicator a measurement, based on some standard or system, taken to gauge the status of the whole

Low-income nations have fewer resources to help them modernize as industrialized nations. Below, children making clothes in modern-day Saigon, Vietnam.

CRITICAL THINKING

Describing What characteristics of high-income nations make them better equipped to be economically successful?



Quick Case Study

WHAT MAKES A NATION LOW INCOME OR HIGH INCOME?

Inequality exists globally. How can you identify low-income and high-income nations?

Procedure

1. Have students choose five nations from a world map or globe.
2. Ask students to find the gross domestic product (GDP) of each nation.

Analysis

As you locate the GDP of each nation, consider these questions:

1. Does the nation's GDP make it a low-income or high-income nation?
2. What generalizations can you make about low-income and high-income nations and poverty?
3. What conclusions can you draw about a nation's GDP and global inequality?

Many former colonies, though technically independent, remain politically and economically dependent on their former colonizers. In addition, some countries have become dependent on economically powerful nations, such as Japan and the United States. This dependency is referred to as *neocolonialism*. Dependency theory also maintains that rich countries use economic aid and other assistance to maintain control over weaker, poorer countries.

Some people argue that globalization causes or contributes to global stratification. **Globalization** is the development of an increasingly integrated global economy. It is closely tied to the integration of cultures and government policies. Globalization is based upon free trade, the free flow of investment dollars, and the use of cheaper foreign labor. Large corporations now conduct their operations on a global scale. To produce their goods, they use the materials, labor force, and markets in whatever country gives them the greatest advantage. The problem with this, critics of globalization argue, is that the economic power of multinational corporations and global markets begins to eclipse the ability of poor countries to manage their economies. Globalization, while it may benefit rich nations, exploits the conditions of poor nations and limits their economic development.

READING PROGRESS CHECK

Analyzing What do human-development indicators tell us about low-income countries?

globalization the development of an increasingly integrated global economy

LESSON 4 REVIEW



Reviewing Vocabulary

1. **Defining** What is global stratification?
2. **Making Connections** How did industrialization lead to modernization?

Using Your Notes

3. **Explaining** Use the notes in your graphic organizer to describe the ways in which the globe is stratified.

Answering the Guiding Questions

4. **Identifying** What are the characteristics of high-income countries?

5. **Identifying** What are the characteristics of middle-income countries?

6. **Identifying** What are the characteristics of low-income countries?

Writing Activity

7. **Informative/Explanatory** Describe, in your own words, the strengths and weaknesses of using GNI per capita to characterize global stratification.