



COMMITTEE TOPIC GUIDE

COMMITTEE: ILO

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ILO: The International Labor Organization (ILO) is the United Nations branch which deals with everything that has to do with labour worldwide. Its main goal is decent working conditions for everyone

Your deputy chair:

Hey delegates,

My name is Finn, I am 16 years old and I go to the international School of Stuttgart. This year I am deputy chair for the ILO committee and I am excited to be doing so! I am quite new to MUNISS as this is my first year but I am excited to learn and meet all of you!

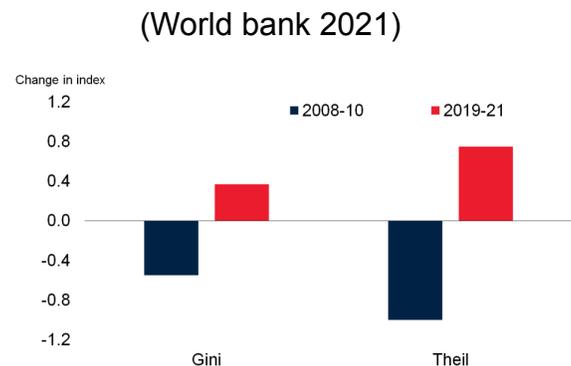
Topic 2: Discussing wealth inequality because of the COVID-19 pandemic

Topic 2 introduction: The ongoing COVID-19 pandemic has worsened global income inequality, partially reversing a two-decade drop. Weak recovery in emerging markets and developing economies (EMDEs) is predicted to increase inequality between countries. Job losses and income losses have become increasingly common in low-income nations, and an increase in inflation has had a detrimental impact on wealth inequality.

The Issue Explanation

Since the pandemic began, the richest ten men on the planet have doubled their fortunes, while 99 percent of humanity has suffered a reduction in wealth and income. To save the economy, central banks injected trillions of dollars into financial markets, yet most of that money ended up in the clutches of billionaires who profited from the stock market's rise.

This graph below shows two indexes for measuring inequality between a population (Gini and Theil index) These represent how the COVID-19 pandemic jeopardizes the last two decades of progress in reducing global wealth inequality.



These statistics are based on real GDP per capita between countries' wealth inequality.

Sub-Saharan Africa, Latin America, and the Caribbean are the regions that have lost the most income. Within the first few months of the epidemic, 81 percent of Peruvian households and 85 percent of Senegalese households experienced significant income loss.

“The pandemic has caused the bottom 60% of the global income distribution to lose ground. Pre-COVID-19 projections estimated that the daily per capita incomes of households in the middle of the global income distribution would grow from \$7.15 in

2019 to \$7.44 in 2021. Income for these households is now projected to be \$7.05 in 2021, down 5 percent from the pre-pandemic estimates.” (World bank 2021) The drop in income for the majority of countries has resulted in a significant rise in worldwide poverty. Because of the pandemic, an additional 97 million people live on less than \$1.90 per day, bringing the world poverty rate to 9.1%.

List of represented countries:

Indonesia: Rise in wealth inequality due to covid 19.

Denmark: Has returned to normal economic growth.

Brazil: Rise in wealth inequality due to covid 19.

Myanmar: Disruptions in supply and sales resulting in increased wealth inequality

DPRK: Has not reported any case of Covid

Venezuela: Rise in wealth inequality due to covid 19.

Kenya: Rise in wealth inequality due to covid 19.

Netherlands: Has had a relatively limited effect on dutch people's lives therefore has returned to normal economic growth.

USA: Rise in wealth inequality due to covid 19.

Iraq: Rise in wealth inequality due to covid 19.

Russia: Rise in wealth inequality due to covid 19.

Egypt: Rise in wealth inequality due to covid 19.

Key Terms

Wealth inequality: The unequal distribution of assets in a group of people

Pandemic: A disease prevalent over a whole country or the world.

Previous Attempts to Solve the Issue

Covid 19 has elicited a wide range of responses from countries all around the world.

Some countries have dealt with these difficulties far more effectively than others.

Because most countries have not created policies to directly impact wealth inequality as a result of Covid 19, previous attempts to address this issue will be based on how countries have attempted to address the Covid 19 pandemic, which would have a direct impact on wealth inequality as a result of Covid 19.

- Brazil's Fiscal measures to covid 19 in 2020: These fiscal measures included the expansion of health spending, temporary income support to vulnerable households – cash transfers to informal and low-income workers (Emergency Aid program), This does something to impact wealth inequality as it aims to help lower income inequality. (imf.org)
- Lockdown policies in the Netherlands: Following the first occurrence of COVID-19 in March 2020, Prime Minister Rutte proclaimed a state of emergency, imposed travel restrictions, and closed the border. The authorities imposed a curfew in late March 2020, followed by a full lockdown, as the number of cases escalated. Despite the fact that economic activity came to a halt in the

first half of 2020, these efforts served to contain the spread of COVID-19 although it could have impacted wealth inequality in a more negative way.

(imf.org)

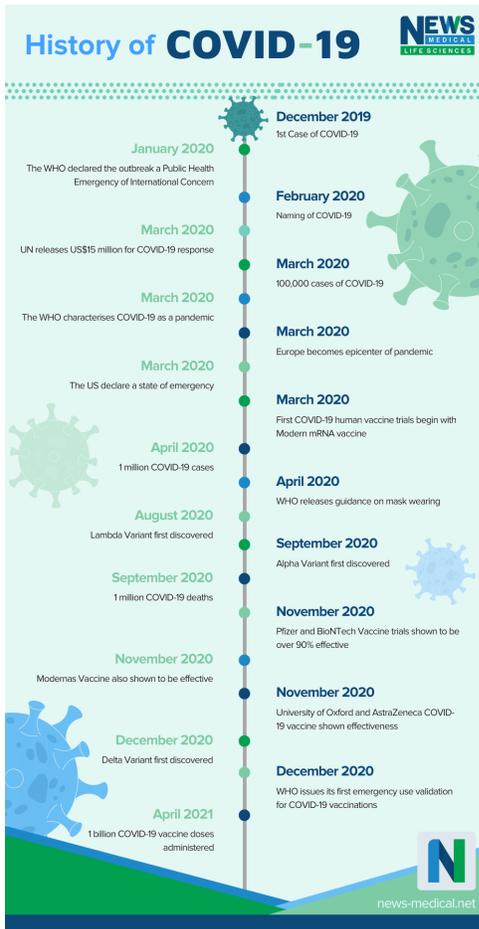
- “On March 11, 2021, President Biden signed into law the American Rescue Plan, which provides another round of coronavirus relief with an estimated cost of \$1,844bn (about 8.8 percent of 2020 GDP). The plan focuses on investing in the public health response and providing time-bound assistance to families, communities and businesses. It extends the unemployment benefits programs (including supplemental unemployment benefits), sends direct stimulus payments of \$1,400 to eligible individuals, provides direct aid to state and local government, adds resources to the vaccination program and increases funding for school reopening.” (imf.org)
- Consumer spending initiative in Egypt: A consumer spending initiative of close to EGP 10 billion has been launched to offer citizens two-year, low-interest loans to pay for consumer goods discounted by up to 10-25 percent and provide ration card subsidies.

Historical Background

The covid 19 pandemic was initially discovered on December 31st, 2019 in Wuhan, China, and was designated a pandemic on March 11th, 2020. Only three months after

the pandemic began, countries around the world began to see income inequalities and economic declines.

(Newsmedical.net 2021)



Media Contribution

The Covid 19 pandemic has been one of the most talked about topics in the previous three years. Vaccination news, including how it spreads and who it affects, has been all over the news. However, this topic has not received as much attention on social media as it could; often, the media prefers to focus on the pandemic itself rather than the other

variables that are affected as a result of the epidemic. Overall, certain forms of media touch this topic, but it would take a lot of digging to discover it. It's not something you'd find on Instagram or other social media platforms.

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