

SOCIAL AND ECONOMIC INEQUALITY IN A GLOBAL PERSPECTIVE: A LITERATURE REVIEW OF POLICIES AND INTERVENTIONS

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Abstract

Social and economic inequality is a global issue that has a significant impact on many aspects of life, including health, education and economic stability. This research aims to review the literature on policies and interventions implemented around the world to address this inequality. The literature review shows that inequality is often caused by unfair economic policies, unequal income distribution, and limited access to fundamental services such as education and health. In addition, neoliberal policies and the effects of globalisation have exacerbated economic inequality between developed and developing countries. Various strategies have been implemented to reduce inequality, such as income redistribution through progressive taxation, social assistance programmes, and improved access to education and health services. The findings of this study emphasise the importance of a multidimensional approach and cross-sectoral cooperation in designing and implementing effective policies to reduce social and economic inequality globally.

Keywords: Inequality, Social and Economic, Global Perspective.

Introduction

Social and economic inequality is a phenomenon of growing concern around the world. It refers to the unequal distribution of income, wealth, educational opportunities, access to healthcare, and other basic rights among different groups in society.

Social and economic inequality refers to the unequal distribution of resources, opportunities, rights, and influence within a society. Social inequality refers to differences in access to public services such as education, health, employment, and other basic rights experienced by certain individuals or groups based on factors such as social class, gender, ethnicity, and geographic location (Schulz et al., 2022). Economic inequality, on the other hand, relates to disparities in income, wealth, employment opportunities, and living standards that can lead to significant differences in the quality of life among different groups in society (Carreras et al., 2021).

These two types of inequality are often intertwined and reinforce each other, creating a cycle that is difficult to break. For example, economic inequality can lead to

social inequality when concentrated wealth allows exclusive access to quality education and the best healthcare, while also exacerbating social inequality when discrimination and social exclusion limit economic opportunities for certain groups. In the long run, high social and economic inequality can hamper social mobility, reinforce injustice, and threaten social stability and healthy economic development (Ashford et al., 2020).

In the past two decades, global inequality has increased dramatically in both developing and developed countries, resulting in social, economic and political instability.

In developed countries, despite thriving economies and high living standards, the gap between the rich and the poor continues to widen. On the other hand, developing countries are often plagued by acute poverty and a sharp gap between a handful of wealthy elites and the poor majority of the population. This phenomenon is often exacerbated by factors such as corruption, unfair economic policies, and unequal education systems (Kelly, 2020).

The globalisation factor has had a double impact. While globalisation opens up new economic opportunities and accelerates growth in some regions, it also exacerbates inequality by concentrating wealth in the hands of a few individuals and multinational corporations. As a result, different regions of the world experience increasingly pronounced inequalities in access to resources, public services, and economic opportunities (Liao & Maio, 2021).

To address this inequality, countries and international organisations have implemented various policies and interventions. Income redistribution programmes, education and health subsidies, and various forms of social empowerment have sought to reduce disparities. However, the effectiveness of these policies varies, depending on implementation and the local socio-economic context (Heggebø & Hvinden., 2022)

High levels of social and economic inequality have a significant impact on social stability and long-term economic growth. Inequality can hinder social mobility, exacerbate poverty, and generate discontent that can trigger social conflict. Therefore, an in-depth study of the forms of inequality, causal factors, and evaluation of policies and interventions is needed (García-Castro et al., 2020).

This research aims to identify the forms of social and economic inequality from a global perspective and review the policies and interventions that have been implemented. Through this literature review, it is hoped to gain a more comprehensive understanding of the successes and challenges of various policies, and provide recommendations that can be used by policymakers to reduce inequality more effectively.

Research Methods

The study in this research uses the literature method. The literature research method is a research approach that involves collecting, evaluating, and interpreting

data from various written sources such as books, journals, articles, and other publications to understand and analyse a particular topic or problem (Setiowati ;, 2016) (Syahran, 2020) . This process involves the identification and selection of relevant literature, critical reading to evaluate the quality and reliability of sources, and synthesis of information to develop a comprehensive understanding of the research subject. Literature research is typically used to form theoretical foundations, identify gaps in existing knowledge, and provide in-depth historical and conceptual context prior to original or empirical research (Helaluddin ., 2019)

Results and Discussion

Crucial forms of social and economic inequality

Social and economic inequality can manifest in many crucial forms and affect society in significant ways. One of the most striking forms of inequality is income and wealth inequality. These disparities are reflected in large differences between the incomes of individuals or groups across different economic spectrums, with a small number of the population often controlling a significant proportion of the total wealth. This inequality can lead to a disproportionate influence on public policy and economic decision-making that tends to favour the rich, while ignoring the financial needs of poorer groups (Batruch et al., 2023) .

In addition, inequality in access to education is also a crucial form of social and economic inequality. Education is one of the key determinants of social mobility, and when access to quality education is restricted to certain groups, it reinforces the cycle of poverty. These inequalities are often influenced by factors such as geographical location, family economic status, and ethnic or religious background. Without equal access to proper education, individuals do not have equal opportunities to improve their skills and, ultimately, improve their economic status (Cheng et al., 2022) .

Inequalities in health services also reflect significant inequities in society. The poor often face barriers in accessing quality health care due to high costs, limited infrastructure or discrimination. This contributes to poorer health status and lower life expectancy among disadvantaged groups. Unequal access to healthcare can also exacerbate economic inequality as individuals who are frequently ill or struggle with chronic health problems are less able to work productively and generate income (Rehbein, 2020) .

Inequality of employment opportunities is another crucial form of inequality. Factors such as gender, age and ethnicity are often barriers to decent work and fair wages. Discrimination in the work environment, lack of access to appropriate professional training and bias in recruitment can prevent certain groups from fully participating in the economy. These inequalities not only reduce the economic potential of individuals, but also hinder broader economic growth by releasing valuable talent (Kumar & Paswan, 2021) .

Finally, inequalities in political influence and social participation also play an important role in maintaining inequality. Wealthier or more educated groups often have greater access to the tools of power and can influence public policies and political decisions in their own favour (Chismol et al., 2020). On the other hand, marginalised groups are often ignored or even discouraged from participating in democratic processes, adding another layer to their economic and social vulnerability. Addressing these forms of inequality requires a holistic approach that includes redistributive policies, ensuring equal access to basic services, and encouraging greater inclusion in all aspects of people's lives (Jackson & Payne, 2021).

To address the social and economic inequalities outlined, the collective efforts of the government, civil society and the private sector are essential. Redistributive policies, such as progressive taxes and targeted subsidies, can help distribute wealth and resources more equitably. In addition, investments in education and health infrastructure, especially in remote and poor areas, can open up greater opportunities for marginalised groups to improve their quality of life. Through these efforts, it is hoped that disparities in access to income, education, healthcare, and employment opportunities can be minimised (Koyama & Fujiwara, 2023).

The role of education in the process of reducing inequality cannot be underestimated. Providing inclusive and affordable access to quality education will give individuals the ability to compete in the labour market and contribute to increased economic productivity. The integration of entrepreneurship and technology education can also facilitate innovation and creativity, which can be the engine for more equitable and sustainable economic growth. Cross-cultural education and tolerance in the curriculum can also help reduce discrimination based on gender, ethnicity or religion (Arsenio, 2022).

From a social justice perspective, increasing equality in political and social structures is a key step. Support for wider political participation can empower groups that have been marginalised to be involved in decisions that affect their lives. As such, responsive democratic governance can better reflect the needs of all elements of society, not just those with economic and educational power (Bapuji et al., 2020).

Thus, addressing social and economic inequality requires comprehensive and sustainable strategic measures. This challenge is not only about the economic redistribution of wealth, but also includes education, employment opportunities, healthcare, and fair and inclusive political participation. Given the complexity of these inequalities, cross-sector collaboration with data and policy-based approaches is key to achieving a more just and prosperous society. With an earnest commitment to improvement, it is possible to reduce, or even eliminate, the barriers that have been dividing society.

The Impact of Social and Economic Inequality on Global Development Sustainability

Social and economic inequality has a significant impact on the sustainability of global development. One of the most obvious impacts is a decline in the overall well-being of society. When certain groups control the majority of resources, access to education, health and economic opportunities is severely limited for others. This creates a cycle of poverty that is difficult to break, inhibits individuals' full potential, and exacerbates social conditions that are already closely intertwined with health and political stability (Holst, 2020).

This inequality also has a negative impact on economic stability. When most of the wealth is concentrated in a small group, the purchasing power of the majority of the population decreases. This results in a significant weakening of domestic demand in the long run. In addition, income inequality also fuels financial uncertainty and instability, which can lead to economic crises. Such crises often have a global impact, shaking the economies of other countries through international trade and investment relations (Marmot & Allen, 2020).

From an environmental perspective, social and economic inequality complicates efforts to conserve and protect the environment. Vulnerable groups pushed by poverty are often forced to rely unsustainably on natural resources as a means of survival. This results in deforestation, soil degradation and water pollution. At the same time, wealthier groups often have environmentally unfriendly consumption habits, increasing their carbon footprint. As a result, these inequities accelerate environmental degradation and exacerbate the impacts of climate change, ultimately harming all, especially the most vulnerable (Oishi et al., 2022).

Continued inequality also fuels social discontent and instability. Inequalities in opportunity and prosperity create social tensions and conflicts. Examples include protests, riots and even revolutions that emerge as a form of resistance to perceived injustices. Such conflicts not only hamper development, but also drain resources that could otherwise be allocated to sustainable development efforts. Thus, inequality weakens social cohesion and places a heavy burden on governments to maintain order and security (Summers et al., 2022).

Finally, social and economic inequality impacts competitiveness and innovation. Countries with higher levels of equality tend to have citizens who are healthier, more educated and motivated to innovate. When opportunities and resources are equally distributed, more individuals can contribute to the knowledge economy, increasing efficiency, productivity and technological innovation (Lin & Neely, 2020). In contrast, countries with high inequality are often caught in a human capital trap, where the talents and potential of many individuals are not actualised due to lack of access and opportunities. Therefore, addressing inequality is a crucial step to ensure inclusive and sustainable development worldwide (Ryu & Slottje., 2020)

Overall, social and economic inequalities have significant negative impacts on the sustainability of global development. These inequalities not only reduce people's overall well-being but also undermine economic stability and place a heavy burden on the environment. In addition, these inequalities trigger social discontent and conflicts that hamper efforts for stable and peaceful development. These negative impacts extend to various aspects of life, including health, education and innovation potential. Reducing inequality is therefore an important step towards achieving more equitable, inclusive and sustainable development.

Conclusion

Social and economic inequality is a complex and far-reaching issue from a global perspective. This literature review shows that inequality is often rooted in countries' economic structures and policies, including income distribution, access to education and healthcare, and unequal employment opportunities. Neoliberal policies that emphasise free markets and privatisation often exacerbate these inequalities. In addition, globalisation has simultaneously brought countries closer together and widened the economic gap between them, with developed countries often benefiting more than developing countries.

To address this issue, various policies and interventions have been proposed and implemented in various countries. Income redistribution programmes, such as progressive taxation and social assistance, have proven effective in reducing inequality in some contexts. Interventions oriented towards improving access to education, empowering women, and strengthening health systems are also important to ensure equality of opportunity. Overall, a multidimensional approach involving cross-sectoral cooperation and active participation from all elements of society is required for policies and interventions to effectively achieve the goal of reducing social and economic inequality.

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