

# Decline in global income inequality

Business



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## Decline in Global Income Inequality

Globalization has become one of the most widely used concepts of the contemporary times that have significantly redefined businesses and societal paradigms across the globe. Sirgy et al. (2004: 253) have defined globalization as ' the diffusion of goods, services, capital, technology, and people (workers) across national borders'. Today, it has become a hard reality which is increasingly making nations across the globe, inter dependent on each other for their socio-economic development. The paradigm shift in the process of development has significantly influenced the socio-economic policies and strategies of the countries which now need to be more flexible so as to suit the internal and external compulsions of the host nations. Hence, it has wide ranging ramifications on people and places that are both good and bad.

Globalization has resulted in multicultural societies that have encouraged cross cultural understanding and mutual respect. The societies across the globe have become more tolerant. At the same time, the governments across the globe have introduced radical reforms in their socio-economic and political system to make people from different culture, race and nationality adjust within the new social order with more ease. The businesses have also realized the need to incorporate changes that would need the changing requirements of the fast transforming dynamics of the societies. The compulsions of the contemporary times have therefore promoted the need for common goal and collective responsibility for peaceful co-existence. According to Stiglitz (2007), globalization has brought in more influx of multinational companies in the developing countries which have all negotiated with the intent purpose of benefiting the parent companies. The <https://assignbuster.com/decline-in-global-income-inequality/>

monopoly of American influence in all the leading international financial institutes like World Bank and IMF, have followed the American policy of one-way transparency whereby the developed and under-developed countries, must open their market and relax their laws to suit the interests of the multinational companies. While it may be true to certain extent, it also cannot be denied that business from developed countries has significantly improved the economy of under developed countries and facilitated socio-economic growth of the developing nations. Firebaugh (2004) has also affirmed that globalization had actually operated to boost industrialization in the developing countries.

America has been a country where people from across the globe come to make their dreams come true. America has remained the most tolerant country that has huge immigrant population and believes in pluralistic society. The affirmative actions under the American constitution for equal rights greatly facilitate the same in the various spheres of people's lives in the American society. Indeed, the changing values have evolved a new social order which not only embraces multi cultural values but helps forge a universal bond that transcends national and religious boundaries.

It has personally made me more understanding of people coming from diverse background. It has also widened my circle of friends and acquaintances to include people from different nationality, culture and race. I seriously believe that I have become a better person with values that are nurtured on mutual cooperation and inter-personal skill.

(words 502)

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