

Microeconomics

[Economics](#), [Microeconomics](#)



Inequality is the unfair distribution of resources in a society in which a small group receives most of the wealth and the majority suffers living in low income levels (Varian, 2003). In the world the developed nations in the world known as G8 control more than 80% of the world's economic resources. The United States is one of the more renowned members of the G8, a nation that even though its people live in good prosperity the rich control over 90% of the internal wealth of the United States, while the rest work hard everyday to provide good shelter, medicine, food and education to its family nucleus. The nation with the greatest income disparity associated with inequality is Great Britain (Economist, 2007).

Having equity in a system is very important. Equity is relative to the size of the family nucleus. A family with an income of \$40,000 with six members has a lower standard of living than a single person with the same income. The importance about balance is that it has helped transform the United States into a society in which unity exists due to the existence of equity. Education is the path that leads to economic and personal development (NesSmith, 1995).

In any system in which inequality a way to change the nation's fate is by emphasizing in the nation's educational system. Those who waited for the reward that comes with education will have more opportunities than those who are not in a position to do the same and achieve a higher educational status such as a bachelor's or a master's degree. In the village depicted in the story Patient Capital (2007) the Indian tribe members were witness of inequality rising within their communities due to a variety of factors. One of the most influential factors for the appearance of inequality among the

Indian members was education levels. Most of the society did not have opportunities for college education due to family and village responsibilities which were necessary for the survival of a group of people living in very high levels of poverty. The educated member of the tribe gain much more wealth than the rest of the members.

In the United its agriculture trajectory is good example how a group of people was able to evolve its economy by switching from agriculture model to a manufacturing and service economy. Such an economy is better able to provide greater levels of income which improve standard of living of the people. There are many persons in the US who have struggled to break the barriers of inequality. In systems such as the United States prior to the civil movements of the 1960's or in South Africa prior to the elimination of apartheid in 1994 discrimination barriers create de-factor inequality constraints which keep a segregated group of people without economic opportunities.

These types of situation are not good for any economic system because it limits the alternative solutions towards improving the standard of living of many people. Imagine an afro-American person in the 1920's looking for a job in a city. This person was automatically disqualified for many jobs due to the color of his skin. The discriminatory cultural forces created economic inequality for the person. Inequality is a socially deviant constraint that has caused great suffering throughout the history of mankind. In sophisticated economies such as in the United States the government has incentives and programs to attend the needs of the poor and slowly eliminated the inequality of the group of people in greater need such as the homeless

people. In the 21st century in America inequality has become an issue due to discrimination for illegal immigrants. The immigrants coming to America looking for job opportunities and the benefits of a democratic political system are facing tough times due new laws that are taking benefits and violating the human rights of people in the United States. The United was founded on principles such as equality, justice and opportunity for all. The situation in the American with illegal immigrants is shameful and creating inequality in a country that has founded with the inflow of immigrants from across the world.

References

Economist. com (2007). Patient Capital: Your parents were right patience is a virtue.

NesSmith, W. (1995). Social Sciences: An Introduction. Forth Worth: Hardcourt Brace College Publishers.

Varian, H. R. (2003). Intermediate Microeconomics: A Modern Approach (6th ed.). New York: W. W. Norton & Company.