

Globalization and The Inequality of Wealth: Lessons from Piketty

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ABSTRACT

This research explores the impact of globalisation on wealth inequality, utilising insights from Thomas Piketty's seminal work, "Capital in the Twenty-First Century." The primary aim is to identify how globalisation has influenced wealth distribution and to extract meaningful lessons for addressing these disparities. The study employs a qualitative approach, analysing Piketty's empirical data and theoretical arguments alongside contemporary case studies. It reviews the author's views on wealth accumulation, capital markets, and labour dynamics to assess the correlation between globalisation and inequality. Findings reveal that globalisation has primarily benefitted the wealthiest segments of society, exacerbating income and wealth disparities. Key factors contributing to this trend include the increasing return on capital, the role of inheritance, and the marginalisation of lower-income labour markets. The research concludes that without intervention, the forces of globalisation are likely to continue privileging the affluent, undermining social equity. It emphasises the critical role of policy measures, such as progressive taxation and increased labour rights, in mitigating the adverse effects of globalisation on wealth inequality. The paper encourages further investigation into the effectiveness of policy interventions designed to counteract inequality in the context of globalisation. It also calls for international collaboration to create equitable economic systems that harness globalisation's benefits while minimising its potential harms.

Keywords: Economic integration, Capital Markets, Social Equity, Policy Interventions, Sustainable Growth