The International Political Economy of Global Inequality

Introduction

One of the most significant accomplishments in modern history has been the dramatic reduction in global poverty over the past fifty years. Policymakers, scholars, and public commentators have championed falling poverty measures and economic growth driven by globalization as evidence of widespread improvement in the human condition.[1] Falling poverty rates and their correlates in health and education are indeed significant achievements, but they have been accompanied by – indeed are intertwined with – almost unimaginably high levels of wealth and income inequality. In contrast to those, like Steven Pinker and Harry Frankfurt, who contend that increases in the average standard of living should dominate distributional concerns,[2] this paper makes the case that the politics of inequality are as deserving of analytical and normative concern as the impressive progress that has been made in reducing global poverty. While the reduction in poverty has been striking, it has been accompanied by striking disparities in wealth and income among the world's inhabitants. What would it mean for IPE to treat global inequality, defined here as the unequal interpersonal distribution of wealth and income measured at the global level,[3] as a central object of inquiry? This paper advances three arguments: First, I

[1] For example, in 2015 World Bank President Jim Yong Kim called the announcement that the proportion of the world's population living in poverty had fallen below 10% "the best news story in the world." (*The Economist,* 2015). In *Enlightenment Now,* Steven Pinker surveys various data sources to make the case for continued optimism regarding (one vision of) human progress with respect to poverty reduction, education, health, and life expectancy (2018).

[2] Pinker devotes an entire chapter to this argument in *Enlightenment Now* (Pinker, 2018, pp. 97-120). Frankfurt makes a similar argument from a philosophical perspective, advocating a "doctrine of sufficiency" – the claim that what matters morally is whether people have enough, not whether resources are equally distributed (Frankfurt, 2015, p. 7).

[3] This is what Milanovic (2005) refers to as "concept three" inequality or "global inequality," as distinguished from measures of between-country inequality based on population-unweighted ("concept one") or population-weighted per capita national GDP. My justification for focusing on global inequality as opposed to between-country or within-country inequality can be found in the subsequent section. Throughout the paper, "global inequality" should be read as referring to global interpersonal economic inequality, except where otherwise specified.

argue that global inequality is political, shaped by historical political decisions, institutions, and structures of power and perpetuated by contemporary financial, trade, and immigration practices. Second, global inequality is sufficiently distinct from both national inequality and global poverty to constitute an analytically distinct object of inquiry. Third, IPE has the theoretical and conceptual tools to study the politics of global inequality and doing so provides a rich substantive research agenda on a set of topics that are not always recognized as the core of the field.

New scholarship in economics has given us a solid empirical foundation on which to build a study of the politics of global inequality. But while this work has opened the door to the studying global inequality, it has little to say about how politics shapes and is shaped by high levels of material inequality. The first section of this paper briefly reviews how this scholarship directs our attention to the extensiveness of global inequality and the possibility that it is a structural feature of contemporary global politics. The second section reviews the literature on inequality, understood broadly, in IPE, and contends that IPE is well-positioned to study the politics of global inequality. The third section makes the case that in cause, consequence, and ethics global inequality is distinctively political. The fourth section outlines a research agenda for foregrounding inequality in IPE, drawing on recent economics scholarship and identifying a set of substantive research questions for both mainstream and critical IPE.

The Economics of Global Inequality

In the wake of financial crisis and populist movements, national inequality has received increasing scrutiny, with no small amount of important research done on the intersections of race and class, the percentage of gains going to the top of the income distribution, and the role that trade policy, disaggregated production, and automation have played in fueling economic dislocation. The vast majority of these conversations, however, have considered inequality through a methodologically nationalist lens, focusing on disparities of income and wealth within countries.[4]

Despite evidence that global inequality has begun to decline after rising for decades (Bourguignon, 2015, pp. 26-27; Hellebrandt and Mauro, 2015),[5] global inequality, as captured by the Gini coefficient remains, in the words of Niño-Zarzúa, Roope, and Tarp (2017, p. 680) "staggeringly high." Indeed, the global Gini coefficient is higher than that of any individual country.[6] Measured in absolute terms,[7] global income inequality has in fact increased dramatically between 1975 and 2010 (Niño-Zarazúa, Roope, and Tarp, 2017, p. 680). At a time when nationality is more predictive of income than class (Bourguignon and Morrisson, 2002; Milanovic, 2012),[8] methodological nationalism constitutes a significant analytical myopia. In historical terms, the level of inequality that has accompanied the most recent wave of

[4] On the social sciences' general bias towards methodological nationalism, see Wimmer and Schiller 2003.

[5] The conclusion that global inequality has begun to decrease over the past 20 years is critiqued by Martin Ravaillon (2018, p. 625). Niño-Zarazúa, Roope and Tarp (2017, p. 662) find that global interpersonal inequality has decreased over the past three decades when measured in relative terms using the Gini coefficient or coefficient of variation. In contrast, when absolute measures of inequality are used, inequality is found to have "increased dramatically and unabated throughout the period analyzed."

[6] According to the Hellebrandt and Mauro (2015, p. 13), the global Gini coefficient for income in 2013 was 64.9. Calculations of national Gini coefficients vary by source, but according to World Bank data, the most unequal country that year was Colombia with a Gini index of 52.9.

[7] Conventional measures of economic inequality are relative: that is, given an equiproportional increase in income among the top and bottom halves of the distribution, relative measures of inequality would remain unchanged. Absolute measures of inequality take into account the size of the gap between parts of the distribution. To borrow Tarp's (2016) back-of-the-envelope example, if we compare the incomes of a representative individual making $1/day and a representative individual making $10/day in 1986 in Vietnam to their earnings after three decades of economic growth, we find the that the first person is now making $8/day and the second person $80/day. In relative terms, inequality between the two individuals has stayed the same: both incomes increased by eight-fold. But in absolute terms, income inequality between the two has widened substantially from $9/day to $72/day.

[8] Milanovic finds that, in contrast to the mid-19th century when real income of the working class across countries was relatively similar (and low), more than 80% of global income variation today is explained by variation in per capita income at the national level. Unskilled workers' wages in poor and rich countries today often vary by a factor of 10.

globalization is likely unprecedented. According to the UNDP, the income gap between the fifth of the world's population living in the richest countries and the fifth of the world's population living in the poorest went from 7:1 in 1870 to 11:1 in 1913 to 74:1 in 1997 (cited in Pieterse 2002, p. 1025). Income is far more unequally distributed globally than within any state's borders, and the global wealth distribution is more unequal still, with a Gini coefficient of 92.2 (Davies, Lluberas, and Shorrocks 2017, p. 749). Individuals with over 1 million USD in wealth (defined as the marketable value of financial and non-financial assets minus debts) comprise just 0.7% of the world's population but have a combined household wealth of 111.8 trillion USD – 45 percent of the world total (Davies, Lluberas, and Shorrocks 2017, p. 749). The politics of national and global inequality are not merely parallel processes, but intertwined. The same globalizing forces that have shaped the global income distribution over the course of the 20th century have also affected inequality at home, and many of the protectionist trade policies championed as solutions to national inequality may exacerbate global inequality.

While the political salience of inequality is not particularly controversial at the national level, attention to *global* inequality has been more muted. Global inequality has made only occasional appearances in public discourse. Oxfam International has, for the past five years, published annual reports to coincide with the World Economic Forum meetings in Davos highlighting the immense disparities between the global top 1% and everyone else (e.g., Oxfam, 2018) and these reports have received coverage in the New York Times, National Public Radio, and The Guardian, among others. Outside of these bursts of attention, there has been little sustained public attention to the phenomenon.

However, recent research in economics allows us to measure global inequality in new and more nuanced ways that point to the need to bring politics into discussions of inequality, even as it largely stops short of doing so itself. As such, it provides an important starting point for IPE research on the topic of global inequality.

We have been able to measure global inequality using per capita GDP to calculate Gini coefficients for some time, but such a method has significant shortcomings. Most significantly, it fails to account for the income distribution within countries, obscuring a substantial source of variation in income and wealth. Using per capita GDP as a measure of global inequality also raises methodological questions about how to appropriately weight countries on the basis of their population. As Milanovic finds, the conclusions we draw about historical trends in global inequality are highly sensitive to whether we use weighted or unweighted per capita GDP as our measure, owing to the outsize influence of China and India – both of which have seen growth rates well above the world average (2003).[9] How we treat these countries analytically – and in particular, whether they are regarded as models or exceptions for economic development – matters greatly for how inequality is theorized and responded to. For purposes of capturing both the class-based and nationality-based determinants of any randomly selected individual's income, a preferable measure of global inequality is an interpersonal one which compares actual incomes, rather than averages.

Only recently have national household income surveys become common given the significant state capacity required to carry them out. Christoph Lakner and Branko Milanovic have compiled the data from 120 countries which do conduct such surveys into a global database of household incomes between 1988 and 2008 (2016). Household survey data is notoriously difficult to work with. Sample sizes vary enormously; surveys are conducted at varying intervals;

[9] Using unweighted per capita GDP shows the global Gini coefficient increasing over the past 50 years; weighting observations according to population shows the global Gini decreasing. That most of this effect is explained by the inclusion of China in the sample can be seen by removing China; without this observation both the population-weighted and population-unweighted trend lines look very similar.

both the bottom of the distribution (homeless and institutionalized populations) as well as the top of the distribution (who often underreport their true income) are omitted; and adjusting for purchasing power parity is fraught with difficulty.[10] Nonetheless, Lakner and Milanovic's database represents a significant accomplishment in terms of our ability to capture the global interpersonal income distribution and to track its changes over time.

This dataset forms the foundation of Milanovic's *Global Inequality: A New Approach for the Age of Globalization* which tracks the relationship between household income and economic growth over time and brings convincing evidence to bear to substantiate commonly held intuitions about the "winners" and "losers" from globalization (2016).[11] While the global growth in per capita income has been impressive, it has been very unevenly distributed, with 27% of that growth between 1980 and 2016 going to the top 1%, and only 12% to the bottom 50% (Alvaredo et al., 2017, p. 13). This uneven distribution of gains can be seen in Branko Milanovic's famous "elephant curve," which shows the relative gain in per capita income by ventile of the global income distribution (Figure 1). The "winners" from global growth over the past three and a half decades have overwhelmingly been people in the middle of their national income distribution in emerging Asian economies and the global top 1%. In contrast, people in the bottom half of the income distribution in rich countries (those in the 80th and 90th decile globally) have seen very low rates of growth in real income over the past decades (Milanovic, 2016, p. 21). This unequal distribution has produced striking effects. Fifteen point seven percent of the world's income in

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[10] Purchasing power parity calculations rely on using a common basket of goods as a point of comparison, but the composition of this basket of goods is far from obvious. A basket that contained the same set of goods used to measure domestic prices in all countries would fail to account for variation in staple goods across countries. A basket containing representative staple goods would suffer from a lack of comparability. (Deaton and Heston, 2010.)

[11] Milanovic's analysis of the effects of economic globalization on the global income distribution complements similar analyses of the effects of globalization on national income distributions (e.g., Lang and Mendes Tavares's [2018] paper which finds diminishing marginal returns to increased economic liberalization for countries as they liberalize cross-border economic flows and a concentration of gains at the top of national income distributions.

2008 went to the top 1% of the population, and 46% of the world's wealth is controlled by the top 1% (ibid., p. 41).

[Insert Figure 1: Relative gain in real per capita income by global income level, 1988-2008. Source: Milanovic 2016 *here].*

In the current era, nationality accounts for a greater amount of variation in individual income variation at the global level than an individual's place in her national income distribution (Milanovic, 2016, p. 131). Drawing on John Roemer's *Equality of Opportunity,* Milanovic regards the unearned rent acquired by being born into a rich country as a "citizenship premium" (Roemer, 2000). Milanovic calculates this premium for various country dyads, finding, for example, that controlling for all other factors, being born in the US rather than the Democratic Republic of the Congo multiplies one's income by 93 times (2016, p. 133). This analysis is consistent with the work of economists Michael Clemens, Claudio Montenegro, and Lant Pritchett who finds a similar "cliff at the border" in their estimation of the wages of observationally equivalent workers across national borders (2008). The steepness of the cliff at the border is striking and has profound empirical and normative implications, given the incentives for migration it creates as well as its tension with theories of justice that do not ascribe moral content to national borders. Milanovic is primarily interested in measuring, rather than explaining, global inequality. He attributes the growth and distribution of global income over the past 50 years to globalization, but has relatively little to say about *drivers* of inequality and relationship to patterns of trade, investment, production.

Thomas Piketty's *Capital in the Twenty-First Century* provides one such explanation for wealth inequality. Piketty marshals detailed historical evidence from the United States, Japan, Germany, France, and Great Britain to identify a "central contradiction" at the heart of capitalist economies: that the average annual rate of return on capital *r* exceeds the rate of growth for the economy *g* (2017, p. 34). This has profound consequences for inequality, since profits, dividends, interest, rents, and other forms of income from capital grow faster than the wage income most people rely on. In the United States, for instance, the share of income going to wages has, with the exception of a brief spike in the late 1990s, been declining since the late 1980s, falling from a mean of 63.6% from 1948-1987 to 58.3% from 2010-2012 (Elsby, Hobjin, and Şahin, 2013, p. 7). Moreover, Piketty contends that returns to capital themselves are not equally distributed; wealthier people enjoy higher average returns to their capital due (Piketty posits) to their greater willingness to take risks and ability to pay for more sophisticated investment and wealth management advice (2017, pp. 544-545). As a result, he writes, "If there is nothing to counteract it, very large fortunes can attain extreme levels within a few decades" (Piketty 2017, p. 431). In such a society, inheritors of wealth wield disproportionate political power. Short of government intervention, only very high global growth rates can attenuate this process. This dynamic suggests that even if the between-country income distribution is becoming more equal, considerable levels of inequality between persons will endure purely on the basis of unequally distributed returns to capital. Piketty's work examines national wealth distributions, but other economists have studied the interpersonal distribution of wealth at the global level. Davies, Lluberas, and Shorrocks (2017, p. 749) find that the Gini coefficient for the global wealth distribution is 92.2 – considerably higher than the 64.9 coefficient Hellebrandt and Mauro (2015) find for the global income distribution. As with income, a significant amount of the variation in wealth at the global level – 79 percent -- comes from between-country inequality (Davies, Lluberas, and Shorrocks, 2017, p. 750.

The most significant criticism of Piketty's work from the perspective of political science is the ill-defined role that institutions, ideology, and violence play in his account.[12] In their introduction to a 2017volume of essays responding to *Capital in the Twenty-First Century,* the editors note that:

> Piketty's argument is based on a fairly deterministic theory of the future: the rich will manipulate the system to manage to maintain the rate of profit at 5 percent no matter how much wealth they accumulate. Piketty does give more than lip service to the role of noneconomic forces. He encourages the reader to consider what the other social sciences might have to tell us. But in the end his argument is based on simple economic dynamics of wealth accumulation and inequality in the context of a healthy and relatively stable rate of profit. (Boushey, Delong, and Steinbaum, 2017, p. 10.)

Elisabeth Jacobs is more blunt, contending that, "Politics are everywhere and nowhere" in Piketty's book (2017, p. 512). She emphasizes the tension between Piketty's contention that the relationship between returns to capital and economic growth is an inherent and objective feature of capitalist economies and his contention that "the history of the distribution of wealth has always been deeply political, and cannot be reduced to purely economic mechanisms" (ibid.). Jacobs draws on Albert Hirschman's concepts of exit, loyalty, and voice to sketch out potential relationships between economic and political inequality. I argue that IPE can regard her claim about the ubiquity and absence of politics from Piketty's account as a starting point for examining the causes, consequences, and conditions of possibility for global inequality.

IPE's Potential and Limits for Studying Global Inequality

[12] Others have questioned the relationship between a rising wealth-to-income ratio and rates of profit; the salience of inter-generational patterns of wealth accumulation; the ad hoc invocation of institutions and policies in accounting for the relationship between returns to capital and growth; and the exclusion of human capital as a potential mitigating force in the dynamic. For an overview of critical engagements with Piketty's work, see Boushey, Delong, Steinbaum, 2017.

To date, IPE has, for the most part, not taken up recent economic research on the global disparity in income and wealth. Historically, the lack of data on the interpersonal distribution of wealth and income might explain this lack of attention. As Pieterse (2002, p. 1026) observes, "Global inequality, a late-modern notion, implies an economic turn and brings us into a world of economic statistics." While knowledge of global inequality is not limited to statistical data (e.g., Pasha and Murphy 2002), to the extent IPE inhabits the "statistical universe" Pieterse references, we have been until the past decade, constrained in our measurable and quantifiable knowledge of global inequality and its trends over time. Other scholars attribute the lack of attention to global inequality not to data limitations but to the structure and assumptions of the field itself. Mustapha Kamal Pasha and Craig Murphy (2002, p. 2) have suggested that the relative silence of IR on the subject of global inequality may reflect both an oversight borne of established knowledge-structures that emphasize power and state security at the expense of human precarity and, more troublingly, the field's "own culpability in helping maintain an unequal global social order." But although relatively little work in IPE has focused on global interpersonal inequalities of income and wealth, inequality understood broadly is far from a new topic to the field. Moreover, while I generally share Pasha and Murphy's critique of IPE's myopia on this score, I argue that an examination of the ways in which IPE has engaged inequality broadly reveal many relevant analytic resources for treating global interpersonal inequality as a central object of inquiry.

Scholars from the developing world have long been attuned to the ways that international coercion and the norms that sustain it have systematically disadvantaged some states, constraining their development and excluding them from international decision-making institutions (e.g., Grovogui, 2002). Inequality – understood not as a driver of political behavior, but rather as an outcome of hierarchical power relations – is central to this strand of theorizing in

IPE. Seen through this lens, the political decisions that produce unequal distributional consequences are very often the product of coercion rather than rational goal-seeking behavior of self-interested actors. Critical IPE scholars have emphasized that liberalizing political and economic reforms in the developing world were carried out in the context of international conditionality and that the terms of such deals have been dictated by the whims of foreign capital, with little regard for domestic politics (e.g., Grabel, 2000).

Benjamin Cohen (2008, p. 167) identifies inequality, and in particular, a concern with poverty and development as being "at the top of the agenda for many in the British school [of IPE]," emphasizing the intersections between development economics and IPE. Structural inequality resulting from a transnational division of labor which acted to reproduce inequality by redistributing surplus value from the periphery to the industrialized core was a central theme to Immanuel Wallerstein's (2011 [1974]) world systems analysis. Nor are critical scholars the only ones to advance a structural analysis of the global political economy. For example, while David Andrews (1994) avoids ascribing coercive intentionality to the power of global capital, he nonetheless depicts the constraint that internationally mobile capital imposes on states' monetary policy choices as a structural one. Scholars of IPE might consider the extent to which $r > g$ represents a similar structural feature. But while world systems theory incorporated elements of change, Benjamin Selwyn (2015, p. 254) contends that it "paints a picture of a dynamic world economy … that nevertheless reproduces itself as a whole." Moreover, the unanticipated economic success of East Asian economies undermined dependency theory's structural analysis, with developmental states' agency in bringing about their own movement up the global value chain poorly accounted for by terms of trade imbalances.

The global commodity chain (GCC) framework was a response to these limitations that sought to explain national upgrading in value chains, though it has been critiqued for reproducing the same developmentalism and "residualist conception of economic development, where lack of development is explained by 'exclusion'" that world systems analysis was intended to overcome (Selwyn 2015, p. 256). This critique leads Selwyn to ground his analysis of global supply chains in a Marxian global class analysis focused on how lead firms and states both seek conditions favorable to capital accumulation and ensure maximum extraction of surplus value from the global labor force. Inequality also plays a central role in Nicola Phillips (2017) analysis of global value chains. Like Selwyn, Phillips is interested in how the structure of globalized production reproduces inequalities, regarding inequality as both cause and consequence of the contemporary global organization of production, though rather than foregrounding unequal class relations, her analysis centers on the intersecting asymmetries of market, social, and political power that produce and reproduce concentrations of wealth and assets.

Between-country inequality and uneven development has also been addressed in our field from a normative perspective. Craig Murphy (2001, p. 348) contends that undergraduate IR education should foreground a series of findings regarding both economic and social inequalities, including that income inequality is "probably" rising. (Of course, as discussed above, we know have much clearer data on that score.) Of the various inequalities he discusses, Murphy (2001, p. 349, 350) contends that global income inequality is "the most troubling," given the dominance of market power in international affairs and the disproportionate political influence of the super-rich. Murphy (2006) argues that cosmopolitan theorizing, and in particular Martha Nussbaum's "Principles for Global Structure," can and should be implemented in international institutions like the UNDP, given the lack of feasible means of redistributing wealth and power directly on a global, interpersonal scale. Murphy (2006, p. 1300) emphasizes that although few international institutions were initially intended to be redistributive, some have taken on a tacitly redistributive role in their allocation of new resources like intellectual property rights which disproportionately benefit rich states, and that they could play a more explicit, albeit limited, redistributive role going forward.

While inequality has not been as central to the American tradition of IPE as to the British one, a central concern of American IPE has been the uneven distributional consequences of transnational economic flows and the policies that facilitate, constrain, and channel the international movement of goods, services, capital, and labor. Distributional consequences lie at the heart of the open economy politics (OEP) paradigm in IPE, providing insight into subnational actors' preferences over things like trade policy (e.g., Hiscox, 2001; Owen and Johnston, 2017; Baccini, Pinto, and Weymouth, 2017), exchange rate stability and value (e.g, Frieden, 1991; Kinderman, 2008; Walter, 2008), capital controls (Steinberg and Nelson, 2019) and central bank independence (Bernhard, Broz, and Clark, 2002). According to this paradigm, identifying "winners" and "losers" from various national economic policies and their relative abilities to act collectively and influence national policymaking helps account for observed international variation across these policy areas, often in complex ways (e.g., Mosley and Singer, 2015). Such analyses can shed light on nationally rational but globally suboptimal economic dynamics and regimes, as well as the institutions that have developed to mitigate the transaction costs, information asymmetries, and credible commitment challenges that plague international economic relations (Lake, 2009).

Nor is a concern with distributional consequences unique to the OEP model. Other scholars have examined how even ostensibly apolitical, technical economic rulemaking without clearly knowable ex ante consequences can differentially affect various economic actors, for example empowering some firms – and the states where they are located -- over others (e.g., Büthe and Mattli, 2011). In their comparative study of OECD economies, Jonathan Hopkin and Mark Blyth (2012) argue that Arthur Okun's (1975) famous trade-off between economic efficiency and redistributive equality is not universal but rather specific to the United States and United Kingdom; different forms of market embeddedness (as defined by market regulation) make possible relatively high levels of equality and efficiency, as well as both inefficiency and inequality. Hopkin and Blyth's advancement and complication of the Varieties of Capitalism framework looks only at the distribution of income and wealth within countries. Similarly, Sandy Brian Hager's (2014, p. 155) analysis of the bondholding class in the United States, while certainly not unaware of the global nature of bond markets, is primarily interested in the "staggering pattern of concentration in the ownership of US public debt in the hands of the top one per cent of US households over the past three decades." While it does not deal with inequality directly, Andrew Baker's (2018) analysis of the "social purpose," or vision of a normatively desirable or appropriate economic system, behind transnational financial regulatory regimes provides a potentially productive means of expanding these analyses of the economic and social foundations of inequality beyond the nation-state.

But in regarding states as the primary actors in the global political economy, these second-image (and second-image reversed) approaches to global economic flows tend to privilege the distributional consequences of various policy choices *within* states. This choice is defensible within the context of their theoretical contexts – foreign actors seldom enjoy the same institutional access to national policymaking as domestic groups – but it nonetheless overlooks the ways in which policy choices taken at the national level exceed national borders with real consequences for people considered exogenous to the explanatory model.

There are some notable exceptions to the tendency of IPE to approach global inequality either as inequality between countries or interpersonal inequality within countries. One of the most compelling examples is Jan Nederveen Pieterse's (2002) critical comparison of how international institutions and discourses approach poverty versus inequality. Comparing the contemporary era of globalization to the previous one, Pieterse (2002, p. 1024) writes, "Themes that ring familiar from the time of the first great transformation-the 'social question', the 'victims of progress', the divide between rich and poor- are now amplified on a world scale. Domestic differences endure and now come back as global differences too. Yet the global setting is quite unlike the national settings in which these questions were first faced." Pieterse (2002, p. 1027) attributes the relative lack of attention to inequality (as compared to poverty) to its ambiguous relation to neoliberalism and the fundamental challenge inequality poses to the "legitimacy of the world order" and the promises of neoliberal growth policies. Pieterse's call for foregrounding the relations of power and knowledge (especially statistical knowledge) that undergird global economic inequality has not, however, been taken up by mainstream scholars of IPE.

Finally, IPE (and IPE-adjacent scholars) has studied non-economic inequalities that nonetheless have profound material consequences. Charles Tilly's (1999) *Durable Inequality* examines the organizational mechanisms (exploitation, opportunity hoarding, emulation, and adaptation) through which unequal social categories of race, gender, and citizenship are reproduced and institutionalized. Social inequalities have also been central to feminist IPE, such as Juanita Elias's (2004) study of how multinational corporations' recruitment and employment practices intersect with local social inequalities, especially gendered divisions of labor, both drawing upon pre-existing local inequalities and imposing a set of gendered expectations regarding low-cost labor on local populations. Genevieve LeBaron and Ellie Gore's (2019) study of the cocoa supply chain similarly studies how unequal gender power relations are exploited and reinforced by Ghanaian cocoa industry's business model, rendering female workers disproportionately vulnerable to exploitation. Unfree and uncompensated labor of course has implications for the global distribution of wealth and income, but feminist IPE's concern goes well beyond the material consequences of these inequalities to consider how they also render marginalized groups disproportionately exposed to violence and other forms of coercion and oppression

Studying global inequality will likely require conversations that bridge divisions between those who consider distributional consequences, though primarily in a national perspective, and those concerned with global hierarchies, but with less regard to national agency and economic policymaking. The relative infrequency of conversations that cut across the mainstream-critical divide represents one potential limitation to IPE's current capacity to contend with global inequality, but foregrounding global inequality as an object of inquiry represents a substantive terrain on which such conversations might take place. Similarly, an IPE approach to global inequality would likely entail grappling with the role of structural analysis that the mainstream of the field repudiated following the failure of world systems analysis to account for East Asian growth. However, new data that accounts for both nationality- and class-based determinants of inequality affords the possibility of new, more nuanced structural analyses of inequality and in particular of the relationship between states' structural position and their national income distribution.

Another limitation is American IPE's tendency, in importing much of its theoretical architecture from economics, to privilege absolute over relative gains. For example, the OEP model is concerned with absolute changes in various groups' economic welfare resulting from economic changes, but we know that both states and individuals care about relative gains as well (Gowa and Mansfield, 1993). For instance, Diana Mutz and Eunji Kim recently found that, depending on the trading partner in question, Americans sometimes prefer trade policies that benefit the in-group and hurt the out-group over policies that would help both their own country and a trading partner, leading them to conclude that for a policy to elicit support, "it is important not only that the US benefits, but also that the trading partner country loses so that the US achieves a greater relative advantage" (2017, p. 827). This is consistent with other research on trade preferences which suggests that Americans understand trade through a nationalist lens, frequently exhibiting sociotropic preferences rather than ones in which self-interest is defined in terms of their sectoral or class position (Mansfield and Mutz, 2009). Foregrounding global inequality in IPE means continuing to incorporate concerns with relative, in addition to absolute, changes in welfare into analytical models.

The Politics of Global Inequality

Global interpersonal economic inequality should be a central analytical object of inquiry for three reasons. First, global inequality understood in these terms captures both the between-country aspect of inequality of interest to development economists and their counterparts in IPE and CPE, as well as the political and economic forces that affect wealth and income distributions at the interpersonal level within states and transnationally. In an era of globalization, the methodological nationalism that characterizes much of the politics of inequality literature is no longer defensible: the forces that affect national distributions of income and wealth, as well as the consequences of those distributions, are both national and global. At the same time, reducing global inequality to comparative development risks obscuring significant distributional differences within countries, as well as the transnational context which the super-wealthy inhabit, in which national regulations, tax policy, and capital controls may be of only very limited salience. As an empirical and normative phenomenon, global inequality represents a terrain in which those who have been concerned with the unequal distributional consequences of international economic policy and those who have focused on the structural and institutional determinants of countries' positions in the global economic hierarchy can productively meet.

Second, as Murphy (2001) observes, economic disparities map closely on to political ones, lending urgency to the study of global inequality as an important condition of possibility for power asymmetries in international relations. As Piketty has argued, as returns to inherited wealth accumulate, those born to wealthy families will continue to gain and exert disproportionate influence over political outcomes, producing an oligarchical system within and transcending national borders. To be clear, to argue for increased attention to global economic inequality is *not* to argue that economic inequality is analytically or normatively prior to other forms of social and political inequalities in IPE. Rather, as scholars like Elias have shown, these forms of inequality are often mutually constitutive. Studying global inequality in IPE does not mean privileging material explanations; quite the contrary. As I argue in the following section, studying global inequality in IPE means taking both the material and social conditions of possibility for and implications of wealth and income disparities seriously.

Finally, global inequality is a substantively and theoretically promising area of inquiry for IPE because its politics are distinct from those of related phenomena. If, following Christian

Reus-Smit's definition, we understand politics as lying at the intersection of instrumentality and ethics (2001, p. 574), we can see that global inequality differs meaningfully along both axes from the phenomena with which it is often confounded: global poverty and national inequality. These differences are summarized in Table 1.

[Insert Table 1: The political distinctiveness of global inequality *here]*

In contrast to poverty alleviation, where there is broad consensus about its normative desirability, the optimal level of inequality in society is a much more politically fraught question. This is not to say that economic growth and development are apolitical – far from it; value-laden trade-offs in the means used to accomplish these ends and debates over the appropriate indicators and measures used to capture growth and poverty are rampant. A recent body of scholarship has begun to question the axiomatic belief that *ceteris paribus* more growth is preferable to less, citing externalities and distributional consequences, questions of sustainability, and the impossibility of treating economic growth as independent of human flourishing.[13] Nonetheless, it is difficult to find a widely respected ethical paradigm under which more poverty is held to be preferable to less.

In contrast, the positive valorization of at least some of level of inequality lies at the heart of capitalism. Inequality of outcome is foundational to the logic of capitalism, according to which actors and strategies are rewarded and punished for their choices by market forces. Under this paradigm, inequality is not just a natural outcome but a desirable one, a means of ensuring the efficiency without which markets would not clear. The ethics of poverty versus inequality – and more broadly, the social purpose (Baker 2018) of economic systems that generate inequality

[13] See for example Xue, 2016, pp. 69-88. The valorization of GDP as a meaningful metric for human welfare has been a particularly contentious in this respect.

and poverty give rise to different political responses to both these phenomena. State intervention to mitigate inequality through redistribution is seen as distorting the otherwise natural workings of the market as an allocative mechanism. The dominant place occupied by market logic in modern life means that neither scholars nor actors in the public sphere can take for granted that inequality is undesirable. Instead, discussions about inequality are premised on theories of justice, whether implicit or explicit, that must be argued for rather than asserted. Inequality is inherently contentious, not just in terms of its optimal level, but in terms of whether it presents an ethical challenge in the first place.

It is far less contentious for international organizations to tackle poverty than inequality not just because the two differ ethically but because, as Pieterse (2002) has argued, the dominant liberal economic order's pursuit of economic growth represents a plausible remedy to poverty but not to inequality. Higher growth rates may or may not be accompanied by reduced inequality; as the last forty years have shown, it is quite possible for economic growth to be accompanied by increasing absolute inequality. As Pieterse (2002, p. 1027) writes, "In that global inequality maps relative deprivation, it challenges the legitimacy of the world order in a way that mere poverty statistics, accompanied by benevolent policy declarations do not." While Pieterse's analysis here may hold true for normative challenges to the liberal world order, insofar as inequality "may be viewed as necessary, inevitable, or even beneficial in relation to a particular mode of progress," we should expect to see actors invested in the current economic order far more interested in alleviating poverty than inequality (Pieterse 2002, p. 1027). For both these reasons, the politics of inequality are distinct from those of poverty, and scholars of IPE might expect to see different coalitions, legitimizing narratives, and policy spaces than those that characterize economic growth and development.

In addition to being normatively contentious, global inequality has deeply political causes and consequences. There is nothing natural or inevitable about current levels of global inequality. As Piketty's analysis of wealth inequality demonstrates, inequality can be tamed through taxation and other policy tools; the failure to do so represents a political choice. Economists Niño-Zarazúa, Roope, and Tarp (2017, p. 663) show that today's level of global interpersonal income inequality is not an inevitable consequence of our current per capita income levels. They show that if every country today had the same GDP but Nordic levels of domestic inequality, "it is possible, if highly demanding, to match 1975 global inequality levels at 2010 income levels." Contemporary inequality is the result of a complex set of coercive colonial economic and settlement practices, post-colonial institutions (e.g., Acemoglu, Johnson, and Robinson 2001), international norms and practices surrounding trade, capital, and migration flows, financial regulatory and deregulatory policy, national economic policymaking, financial innovation, patterns of resource distribution and exploitation, and where various publics choose to draw the lines surrounding rights and to whom they apply. These are political variables and forces, combinations of structure and instrumental agency that could be configured differently at a dizzying array of junctures, but which derive much of their structuring power from the precise way they were, in fact, arranged. Identifying the effects of the dynamics that produce, sustain, and temper inequality is a task for which IPE is particularly well-suited.

Finally, any attempt to mitigate inequality will almost certainly involve redistribution by some actor with the capacity to do so, and redistributive practices are explicitly political: they necessarily create winners and losers.[14] The most obvious example of redistributive policy in

[14] Historically, significant decreases in inequality have been produced by war and catastrophe, neither of which represents a particularly compelling proposal for redressing inequality (Scheidel, 2017). Short of political violence and slow incremental shifts in the structure of the global political economy, redistribution is likely the best available tool for mitigating inequality.

response to inequality is national fiscal policy, such as progressive income taxes in support of a more active social state, as advocated by Piketty (2017, pp. 597-662) and Anthony Atkinson (2015, pp. 179-239). This model finds analogues at the international level, not only in Piketty's utopian proposal for a global tax on capital (2017, pp. 663-699) but also in recent efforts to crack down on tax havens and repatriate sheltered wealth to subject it to national tax authorities.[15] But redistribution-via-taxation is a fundamentally different matter at the global than the national level, given the absence of a global tax authority.

Other proposed solutions, like Milanovic's preference for faster growth rates in the poorer countries and reduced obstacles to international migration (2016, p. 7) also involve redistribution. Promoting faster growth rates in the developed world would likely involve net transfers of capital (whether in the form of investment, loans, or aid) from richer countries to orient these economies away from their current specialization in low cost, labor-intensive, low value-added production in defiance of the governing logic of comparative advantage and foreign firms' preference for cheap inputs. It is conceivable such an effort could be pareto-optimal or -improving in the long run, but efficiency gains are a weak reed for both accomplishing and legitimating reduced inequality.

Large-scale changes to migration policy would also entail a redistributive component. For instance, Milanovic advocates a system of tiered citizenship rights for migrants as a necessary compromise with anti-immigration nationalists to accomplish the goal of greater cross-border labor mobility, citing the Gulf countries' migrant worker programs as a positive example (2016,

[15] The G20 has taken the lead in recent years in pushing for transparency in shell companies, trusts, and corporate entities in states with lax regulatory standards, priorities that J.C. Sharman concludes have "produced major changes in even the most secretive jurisdictions," though he notes the effects of these anti-laundering campaigns have been much less extensive in OECD states like Australia (Sharman, 2017, pp. 34-35).

p. 151).[16] IPE, and especially critical IPE, can serve as an important interlocutor to the extreme utilitarianism underlying this proposal. Using immigration policy to reduce global inequality would also require a shift the level at which redistribution is thought to be an appropriate end. As Ayelet Shachar (2009) has observed, we are more comfortable with the redistribution of unearned benefits in a national context (e.g., taxes on inherited wealth) than in an international context (in which nationality can be conceived of as a rent). Any serious discussion of reducing global inequality would benefit from IPE's concern with international economic coordination and its obstacles, as well as IPE's inquiry into the norms and practices that sustain particular global orders.

The Politics of Global Inequality: A New Research Agenda for IPE

IPE has studied both unequal distributional consequences and structures of global material inequality; the challenge moving forward is to bring these research agendas together under the rubric of global inequality. In this section, I outline three avenues for researching global inequality: as a dependent variable, as an independent variable, and in terms of its constitutive logics, practices, and ideas.

Global inequality as a dependent variable

Left largely unexamined by economists is the question of what forces have produced historical and current levels of global inequality. Although we know that nationality accounts for a greater amount of individual income variation than class does, the national-level factors that

[16] Milanovic notes that he does not "personally approve" of how Gulf states treat migrant workers but that this harsh treatment has nonetheless "improved economic conditions for the majority of such foreign workers and their families at home […] reducing global poverty."

drive that variation remain largely unexplored. Moreover, the story surely has a transnational dimension as well. The elephant curve distribution of gains from global income growth raises the possibility that gains in the middle class of Asian economies may have come at the expense of losses in the lower class of OECD countries. As Milanovic writes, "Is the stagnation of incomes (and wages, since wages account for the lion's share of income of the lower middle and the middle class) in the West as result of the success of the Asian middle class? If this wave of globalization is holding back the income growth of the rich world's middle classes, what will be the result of the next wave, involving ever-poorer and more populous countries such as Bangladesh, Burma, and Ethiopia?" (2016, p. 21). While there is some evidence from economics to suggest that this relationship is relatively modest and varies based on occupation type and country (Paretka and Wolszczak-Derclaz, 2016, p. 18), we know little about how specific political choices have affected these trade-offs. One research question, then, is: *How have the policies, practices, and trends associated with globalization shaped the distribution of income today and the distribution of historical gains from growth?*

Piketty's analysis suggests that inequality is driven by a dynamic inherent to capitalism, but as previously noted, he leaves open the possibility that national and international redistributive institutions might mediate that dynamic in meaningful ways. Niño-Zarazúa, Roope, and Tarp (2017) have attempted to study the relationship between global economic growth and inequality via a counterfactual analysis, finding that although it is arithmetically possible to have economic growth with no accompanying increase in inequality, [17] given the convergence that actually occurred among countries between 1975 and 2010, it would have been

[17] As long as all growth occurs below the median, it will always reduce the absolute Gini measure of inequality. Consistent with a maximin approach, eventually everyone up to the median individual will have the same income.

practically impossible to have kept absolute levels of global inequality at 1975 levels. They do find, however, that this convergence could have been accompanied by much lower levels of relative inequality. They conclude that "it is probably impossible to emulate 1975 global inequality levels, without a further economic convergence, or a decline in between-country inequality" (Niño-Zarazúa, Roope, and Tarp, 2017, p. 676). As with Piketty's analysis of wealth inequality, their conclusions suggest that increasing inequality may well be an inherent feature of how globalization has developed, but leaves open the possibility that we could shape those distributions differently going forward. The unequal relationship between the returns to capital and economic growth should direct our analytical attention to redistributive policies and institutions that shape not only economic growth but to whom it is distributed. This will of course include fiscal policies, but it should also encompass monetary and regulatory policy. Furceri and Loungani (2015; 2018), for instance, have found that capital account liberalization – a policy which has come under heightened scrutiny post-2008 from even staunchly neoliberal quarters (e.g., Moschella, 2014; Grabel and Gallagher, 2015; Grabel, 2017) -- increases national inequality and reduces the share of labor income, though the size of the effects varies according to states' level of financial integration and sector-level characteristics. At a theoretical level, accounting for both how economic globalization has reproduced and exacerbated absolute global inequality and how those structural dynamics might be altered in the future will likely require a rapprochement between structural and agentic approaches.

Another path forward is to direct attention to institutions that rein in or unleash capital in more subtle ways: bank and macroprudential regulation, capital controls, campaign finance laws, lobbying rules, the shadow banking sector, transnational money laundering, private law governing financial transactions, and the ease with which wealth can be shielded, both legally and illegally. If returns to capital are one of the key drivers of global inequality, studying global inequality will likely require drawing on economic sociology's attention to the institutional dynamics that have driven financialization, among them shareholder value, changes in corporate governance and executive compensation, and bank vs. non-bank financing models. Piketty asserts that rising inequality in the U.S. context has largely been driven by wage inequality and in particular "the emergence of extremely high remuneration at the summit of the wage hierarchy, particularly among top managers of large firms" (2017, pp. 374-375). But this trend did not occur in a political vacuum, nor has it occurred identically outside of the U.S., and here IPE might ask: *How have national and transnational changes in corporate governance, capital taxation, and banking regulation affected the global distribution of income and wealth?*

Answering this question will likely require a greater attention to the mechanics and practices of financial markets that IPE has been wont to pay. Understanding why returns to capital are increasing in capital holdings and what the consequences of that dynamic are will likely require delving into the processes through which capital assets are created, valued, transformed, securitized, and shielded.[18] These are often opaque, occurring within the realm of private law (Pistor, 2013) and in the backrooms of investment banks and other financial institutions (Riles, 2011). Nonetheless, we should take seriously these private governance practices' role in sustaining global inequality.

Studying the determinants of global inequality will also require a greater attention to immigration barriers and limits to labor mobility. Narratives of globalization conventionally focus on the liberalization of trade and capital markets; that the most recent wave of globalization has been accompanied by increased immigration restrictions is sometimes observed

[18] For excellent work on the shielding and laundering of financial assets, see Sharman, 2011.

as a discordant note in a broader trend of market liberalization (e.g., Pritchett, 2010), but the overwhelming predictive power of nationality on income and the existence of high cross-border wage discrepancies suggests that international labor immobility may contribute significantly to the current unequal distribution of income.

Finally, explanations of global inequality are overwhelmingly top-down, elite-driven, and structural. This is well justified on both empirical and theoretical grounds, given the centrality of states and capital-holders to the global income distribution and the well-documented ability of the wealthy to bend policies and institutions to their advantage. Nonetheless, this theoretical framing should not exclude *a priori* the potential power and agency of those at the bottom of the global income distribution. Capitalism may contain structural dynamics that make inequality inevitable, but that certainly does not imply there is any inevitability to capitalism itself. Revolutions and social movements are often studied as responses to national inequality. Studying global inequality means considering their potential to alter the global income distribution.

Global inequality as an independent variable

The highly unequal global distribution of income and wealth is not just an outcome to be explained via political variables; it also generates its own political outcomes. As discussed above, uneven *relative* gains from trade vis-à-vis an adversary may drive public opinion about trade policy at home. Populist movements are often associated with high levels of inequality nationally, but less well understood is their relationship to global inequality, raising questions about *how global inequality affects national political opinion and behavior in ways that go beyond absolute losses and gains from economic policy.* Inequality may foster resentment, exacerbate in-group and out-group politics, mobilize new political cleavages, and create bottom-up pressure on ruling elites. In both rich and middle-income countries, people have mobilized around their position within income distributions ("we are the 99%") and in opposition to higher deciles and percentiles (the rise of "the 1%" as a political object). Money talks, however, and pushed to an extreme, very high levels of inequality may so radically disempower those at the bottom of the income distribution as to mute their voices.

Cross-national studies have shown that higher levels of national inequality are associated domestically with sociopolitical instability (Alesina and Perotti, 1996), higher demand for redistributive measures (Alesina and Rodrik, 1994), and lower rates of economic growth[19] driven by lower levels of investment (Alesina and Rodrik 1994), less spending on human capital, and a greater education gap (OECD, 2015; Castelló and Doménech, 2002). It is less clear what the political consequences of global inequality are, especially today. On the one hand, Branko Milanovic and John Roemer have argued that rising citizen concern with inequality in an era with (modestly) declining global inequality suggests that people are more concerned with the national and international distribution of income and wealth.[20] This is consistent with Jagdish Bhagwati's contention that it does not make sense "to put a household in Mongolia alongside a household in Chile, one in Bangladesh, another in the United States, and still another in Congo" because, "[t]hese households do not belong to a 'society' in which they compare themselves to others, and so a measure that includes all of them is practically a meaningless construct" (2004, p. 67).

On the other hand, Andrew Clark and Claudia Senik have found that in Europe, there is significant heterogeneity in the salient reference group for income comparison depending on

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[19] More recently, Francesco Grigoli and Adrian Robles found that the relationship between national inequality and economic growth is nonlinear; inequality only hurts growth at a relatively high level (Gini > 27%) (2017).

[20] Milanovic and Roemer, 2016, p. 110. They develop a simple welfare model to demonstrate that as people weight their position in the national income distribution more highly than their absolute income, global welfare inequality declines even as global income inequality increases. This is a theoretical model, however, not an empirical finding.

occupation, nationality, and type of social interaction (2010, p. 583). In particular, they find that those with internet access attach more importance to income comparison and both city-dwellers and those who watch more TV compare their income more to others, suggesting that new modes of connectivity may alter people's subjective experience of their own welfare (ibid., p. 584). Previous eras of high inequality involved less immediate connection with, exposure to, and knowledge of people in very different positions in the global income distribution. Changes in communication and travel technology may well have altered the lived experience of global inequality in ways we do not yet fully understand: *How do people at various points in the global income distribution perceive and experience global inequality?*[21] *Are they aware of their position in the distribution? How do they interpret the possibility of mobility within that distribution? Is national or international inequality more salient in their lives?* At the heart of these questions are questions about the generalizability of findings from studies of national inequality to global inequality. We should remain attentive to the complicated ways that the politics of national inequality and global inequality interact: Increased attention to domestic inequality could paradoxically increase global inequality if national redistributive policies are protectionist and restrict growth-producing flows of trade and capital to the developing world.

Global inequality drives political behavior in other ways as well. Photis Lysandrou (2011; Goda and Lysandrou 2014) has made the case that high levels of wealth accumulation were an important cause of the 2008 financial crisis, as super-wealthy individuals sought yield in increasingly unconventional and risky securitizations. Some development economists have argued that inequality at the national level may impede economic development and undermine

[21] Andrea Brandolini and Francesca Carta have developed a global social welfare function that would account for different valuations of global and national inequality, but their model is a theoretical one, not an empirical study of how people, in practice, weight equity at different levels of analysis (2016).

poverty reduction (Berg et al., 2018); whether these dynamics obtain at the global level is an open question. Cross-border wage differentials not only create pressure for migration, they also drive remittance flows[22] and citizenship and border politics. Incentives to seek higher wages abroad put migrants in dangerous and vulnerable positions and we need not (and should not) follow economists down the revealed preference theory road of assuming that migrants freely accept poor working conditions, limited rights, harassment, and violence as acceptable costs in exchange for higher wages.[23] Just as structures of inequality can coerce states into pursuing fiscal and monetary policies contrary to the national public's interest, so too can migrants' position at the bottom of the income distribution render them vulnerable to more physical forms of coercion, leading us to inquire into *the relationship between global material inequality and labor, civil, and political rights?*

The legitimacy of global inequality

Studying the IPE of global inequality means approaching global inequality outside the constraints of causal analysis, as well. We have long known the world to be unequal; we have only recently had access to micro-level and historical data that reveals just how unequal the world has been and continues to be. We have yet, as scholars and as publics, to fully reckon with what it means to live in a world of such extreme inequality with such detailed knowledge of that inequality. *Can current levels of global inequality be justified? Is it possible that in the context of rising average incomes and falling poverty that inequality is not actually a pressing concern? How does material inequality intersect with hierarchies of race, gender, and (dis)ability? Is*

[22] These remittances may themselves have an effect on the global income distribution. For example, see Adams and Page, 2005.
[23] Milanovic, for instance, writes, "we can be quite sure that migrants would consider mild discrimination or unevenness in treatment in recipient countries to be preferable to remaining in their countries of origin by looking at their revealed preference … their very willingness to migrate reveals their belief that migration would increase their welfare" (2016, p. 153).

inequality a matter of justice only within the bound of a nation-state, as Thomas Nagel (2005) would contend, or do ethical responsibilities to redress material inequalities extend beyond the bounds of the state? And if so, which actors are responsible for changing the distribution of income, given varying levels of capacity, privilege, and harm?[24] These questions have their roots in theories of global justice and theories of the state and citizenship, and IPE can productively engage with political theorists studying these questions (see for example Murphy 2006). But the legitimacy of global inequality is not a purely normative question: Legitimation, depoliticization, and the processes through which issues are seen as politically salient – or not seen at all – are empirically observable.

Understanding the durability of global inequality means turn our attention not only to the material, but also to the immaterial forces that sustain global inequality. As Piketty writes, the history of inequality has been "shaped by the way economic, social, and political actors view what is just and what is not, as well as by the relative power of the actors and the collective choices that result" (2017, p. 20). *How is global inequality legitimated in practice? What role does capitalism as an ideology, in addition to as a set of capital-allocating practices, play in normalizing inequality? What role has economic growth played in legitimating inequality, especially within international institutions which might otherwise have the greatest potential for mitigating global inequality? How has the nation-state come to be seen as the maximum social context in which redistribution is an appropriate response to inequality? How has the discourse of state sovereignty affected the shape and trajectory of global inequality?* Answering these questions entails critically reflecting on why global inequality has largely been ignored in recent

[24] For some possibilities from political theory, see Young, 2004; Ackerly, 2018.

IPE scholarship and what has been lost in mainstream IPE's relegation of structural theories of IPE to the dustbin of pre-globalization history.[25]

Conclusion

For all that national inequality has made headlines in recent years, the world's Gini coefficient is higher than that of any particular country; income and wealth are more unequally distributed globally than they are within any national jurisdiction. While recent work in economics provides detailed measures of the extent and patterns of global inequality, it has very little to say about the political decisions, both recent and historical, that have shaped the global distribution of wealth and income and still less to say about the empirical and ethical consequences of the vast global disparity in material resources.

It is striking that global inequality has garnered so little attention in IPE, given the field's longstanding interest in the distribution of resources and the structure of the global economy. Yet these very strengths make IPE uniquely well positioned to study global inequality, provided it can move beyond its methodological nationalism and bring structural theory into the contemporary, globalized era. Doing so opens up a new set of research questions about the causes and consequences of global inequality, the extent to which findings from national inequality can be scaled up to the global level, the interaction of global and national inequality politics, and the nonmaterial forces that sustain and legitimate the tremendous disparity in material resources globally. How we answer these questions will determine the possibilities and

[25] Here Samuel Moyn offers a valuable model for this kind of critical reflection and accounting from the human rights movement's neglect of economic and social justice (2018).

limits for shifting the mechanisms according to which income and wealth are allocated on a global scale going forward.

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Figures

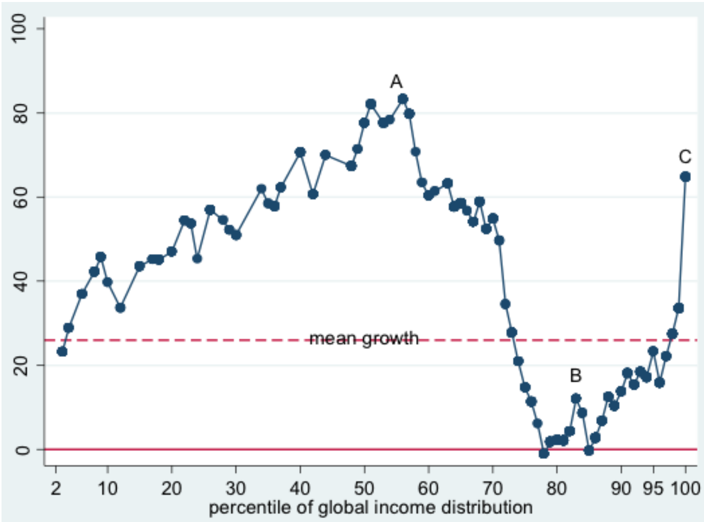

Figure 2: Relative gain in real per capita income by global income level, 1988-2008. Source: Milanovic 2016

Tables

	Ethics	Instrumentality
National inequality	Ethical status is ambiguous; redistributive solutions hinge on questions of nation-state responsibility and desirability of market intervention	Solutions are *primarily* national in scope and achieved via national tax systems
Global poverty	Ethical problem under a variety of frameworks	Solutions may but need not be redistributive (e.g., promoting economic growth in the developing world)
Global inequality	Ethical status is ambiguous; theories of global justice differ on ethical imperative for redistribution at the global level	Solutions are necessarily redistributive but absence of global tax system and persistence of barriers to migration renders them more challenging in practice

Table 2: The political distinctiveness of global inequality