

BOOK REVIEW

“THE PRICE OF INEQUALITY”

¹ Prof. Subramanian S

Joseph Stiglitz is one of the leading economists who has come up with a new book titled “The price of inequality” which primarily deals with open competition and how markets have been divided based on power, money and greed. This book is indeed exciting in the sense to understand how people from various origins have tried to build their capital and turn around major decisions towards their advantage. On one side when we talk about open markets, on the other hand one also needs to understand that open markets were created to cause more disruption. The conservatives may call this as an opportunity to expose and create growth platforms but then people like Stiglitz have understood the fact how certain countries have created “miniature battlefields” which would make other countries fight for their existence. For example in the last two decades the gulf war created a colossal damage to the Arab nations and a country like US made the best of this opportunity to regain their Numero Uno position in the oil business. Like this there have been several incidents which has led to the parity between nations and all these reflect the greed and concentration of power among the select few who have determined to break the world into zones of their like and dislikes.

Corporate America is a great example to be talked about. As Joseph points out why major corporations have sided up with outsourcing and at the same time tried to hold the control of financial flows. one can understand the fact that it probably of letting loose and cutting through the lion’s share to gain complete control.

The word inequality has got different meanings at different levels since it is not just about rights but also about access to various factors in life, in certain cases we find that just because a person belongs to a certain origin or citizenship he or she just does not get through the other side of the world. The book further emphasizes on the fact that politics is not only the root cause for this great divide , but this fact cannot be ignored that politicians have always benefitted from the commoners by creating problems for which the solutions were well known. Policy makers around this world have always complicated the term “policy” by adding impossible routes to achievement of harmony. Right from liberalization to that of technology, everything seems to be made for a chosen few who have decided to rule the world at any cost. Technology taught mankind to move things faster, unfortunately it did not teach us how to maintain and enhance the natural resources. The richer nations adopted new strategies to grow fast by dominating the so called developing nations and still we see that they want these nations under their thumb. For instance after countless years Africa, remains a dark nation, with its abundance of natural wealth, which is being “legally” stolen by the immigrating nations. In this book we also some mind blowing statistics which makes us rethink the definition of equality.

Population has been a popular subject of discussion which has been looked upon negatively and in some cases as an issue of red alert. But then, what makes countries like India and China grow is not just process and policy, it is the people factor which had



¹ Prof. Subramanian S

Associate Professor,
SRN Adarsh College
tikkaraj@yahoo.co.in

led to vast transformation and one has to agree fully that with multiple cultures and never ending issues, the success story still continues as an example to others. Many a times US has tried to do the “big daddy” job by unnecessarily interfering in other countries’ policy which has in turn led to distrust among nations and useless wars which resulted in loss millions of lives. As he observes after 2001 attacks the one important factor that sprung up in the minds of all the people was religion and terrorism in the name of religion. Countless number of individuals has been affected mentally, morally and physically trying to understand what was their fault or role in this vandalism. There has been several issues regarding the price hike and rocketing fuel prices, but everybody fails to understand that these issues were created by us who wanted to see that world grow on economic prosperity path. He compares his writings with wealth of nations and tries to project the fact that the act of creating wealth has indirectly led to creating richer individuals who tend to extend their decision power in all lines of action possible. The most important factor that is bothering US today is their values and identity. Though it claimed to be super power of world in terms of capitalism and military power, but when it comes understanding the pangs of an individual there has been serious flaws. Starting from their health policy to that of LGBT marriages, the crisis of accepting every change has crept up in the society so much that the people have no longer faith in their government and their policies. After the 2008 recession, US has slowly limped back to its normal health, but still the larger picture remains that it is not able to manage the financial scenario because of its spending habits and gross misjudgment of the word “freedom”. The author has tried to bring lot of interesting quotes from all the possible comparables and tried to make us understand the importance of economic freedom.

Stiglitz has written this book “The Price of Inequality” at the peak of the hour where there was lot of turbulent incidents taking place in Tunisia, Libya and Egypt, and the Occupy Wall Street movement here in the United States. These protests have shown us the world is changing and it would do so for the better with smaller nations occupying the center stage. But he seems more pessimistic at the beginning of his book where he tries to put forth the fact that lots of people have commented about the uprisings and historical incidents that has changed the world. The bottom line of the story is very clear that word hope is slowly vanishing away from the minds of the people and everybody is interested in violence either in physical or mental form. The growth story of nations are quite interesting when we try to elucidate with nice theoretical examples but when it comes to building of nation hood it seems to be next to impossible.

The conclusion of this book is very interesting where it tries to justify the needs of individual are more important rather than just thinking about the factor that nation will take care. Politicians are not just money mongers but they tend to be people who are also interested in creating confusion and fear from all angles possible. Last but not the least when we try to understand the word public investment, it really amuses us because what public invest goes in the interest of a private firm or individual who tries to capitalize on this investment and makes a return of public money. Joseph Stiglitz has indeed captured our hearts by making us understand how important it is for us to make shift interms of thinking and accepting the fact that economics is not theory neither policy rule book, it would be practical nor it needs to be applied to our everyday life.

