



Is Technology creating income inequalities?

Description

Background:

- Technology is seeing exponential growth in recent times. It has taken over various aspects of human day-to-day jobs as well as other factors. Now the question that persists is that is this technology reaching out to every individual equally?

Yes :-

- Existence of poverty is a clear indication of income inequalities. The rich people keeps getting rich keeping far behind the poor and middle class categories.
- Other countries like United States have the highest wage inequality than any other country. California is the eighth largest economy in the world with a highest poverty rate in its country. Hence, inequality is one of the outcomes of technology.
- As technological jobs have set in, manual jobs are becoming redundant. This results in a loss of employment of manual workers. It hence, digs the gap between the rich and the rest more concretely.
- Introduction of artificial intelligence has been another stepping stone in technology as well as in income inequality. At last year's World Economic Forum in Davos it was stated that AI is ushering in the 4th industrial revolution which will change the society as we know it. According to a recent report from McKinsey, half of the world's jobs could be automated by 2055.
- A lack of education in technological fields also contributes in income inequalities. The mechanical or labored jobs did not require much knowledge and learning about technology. With technology coming into play, demand has increased for technological knowledge, discarding the old syllabus.
- Inequality in education is creating a barrier for poor children to progress as well as for labors to develop high skills in technologies. This hence, creates income inequalities automatically.

- As technical job wages are rising, wages for manual jobs like home servicing, restaurant jobs, household jobs etc are decreasing. This too gives in the inequality factor.
- The Internet has also put enormous pressure on local and national labor markets. In addition, technology is providing ways of reaching out internet services to people.

No :-

- Technological innovation has actually created more number of technical based jobs than it has killed.
- Human civilization has already adapted itself to the advancements. Now, it will be difficult to eliminate technology from human lives even if it creates an inequality.
- Technological advancements are a boon in the medical field. The advancements are saving and extending human lives.
- As technology creates human replacement, a solution to the inequality is also being tried out. Finland is trialing universal basic income for all its citizens to bridge the gap that was created.
- Entrepreneurs in the digital economy have generated numerous new jobs and higher incomes for many. Digital economy brings in a new dimension and immense opportunities in job sectors.

Conclusion :-

Many economists have stated this problem of inequality to be very harmful and inappropriate for societies. Stephen Hawkins has warned that technology is partly to blame for the rise in income inequality and great technological advances can leave most people "miserably poor." In spite of the shortcomings of technologies, humans have always welcomed inventions and technical developments in their lives since ages. The solution lies in increasing technology literacy rates.

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